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Yugoslavia

Federal—TANJUG reports that the Croatian armed forces have been using drones "to provoke and wear out the Yugoslav People's Army [JNA] air defense system and personnel." The Uzice Corps Information Service issued a statement citing air attacks and other sporadic incidents of open firing on the JNA and warned that "the patience of JNA members has reached a breaking point and... any new provocation can entail serious consequences."

Bosnia-Hercegovina—Belgrade radio reports that republic opposition parties, including "the leaders of the Socialist Democratic Party and the Muslim Bosniak Organization, Nijaz Durakovic and Muhamed Filipovic" consider "the compromise reached in Lisbon" to divide responsibilities among joint organizations and governments of the constituent cantons a "prelude to the final disintegration of Bosnia-Hercegovina." For Durakovic, the Lisbon agreement represents a "shocking salto mortale, especially for the policy pursued by Alija Izetbegovic."

Poland

PAP reports that President Lech Walesa "firmly denied" reports stating his intention to dissolve Parliament. Warsaw TV quoted Walesa as saying: "Nowhere have I expressed the desire to dissolve Parliament." "We are not dealing with imposition, dictatorship, or desire." Sejm Speaker Wieslaw Chrzanowski "confirmed" that the president wants "this parliament to survive as long as possible."

Bulgaria

According to BTA, National Security Adviser Stoyan Andreev denied the recent "rumors" and "attempts to discredit state officials and bodies." The reports circulating "provoked" the Union of Democratic Forces (SDS) National Security Council to convene an extraordinary session, at which the council demanded that the proper authorities check not only sources but the authenticity of the reports as well. SDS members feel that the accusations are "unsubstantiated" and "part of a plot to bring down the government."

Hungary

Budapest radio and MTI report that Foreign Ministry Spokesman Janos Herman has responded to Romania's charges that Hungarian statements reflect "territorial desires" saying that they are "unfounded, harsh, and threatening" "interpretations" of two officials' statements. Herman claims that Hungary's "realistic and well-meaning foreign policies go unheard in Romania." Hungary has "no territorial claims against anyone" but supports the protection of all national minority rights, the Foreign Ministry spokesman explained. Pointing out "promising signs" in recent Hungarian-Romanian relations, Herman said it is difficult to comprehend why Romania is interested in "spoiling relations through accusations and slanders."

Democratic Party's Berisha Holds Rally in Berat

AU2502214792 Tirana Radio Tirana Network in Albanian 1830 GMT 25 Feb 92

[Zamira Koleci report]

[Text] We have just arrived from the town of Berat, where Professor Dr. Sali Berisha, chairman of the Democratic Party [PD], organized a rally with the people of Berat today. They had intended to hold the meeting in the town's cinema, but because there were many participants, they went together to the town's stadium.

PD Chairman Dr. Sali Berisha said in his speech that the PD, the opposition, will win the 22 March elections because we have passed through a difficult year, a year in which we have managed to achieve freedom of speech and freedom of religion. We will win because we are tolerant and will pursue a policy with a human face, a policy with humanism among its principles. We are on the right path, Sali Berisha continued, and the world therefore supports us. The PD and the opposition as a whole will win the majority of votes in the next elections. They will also win the votes of our brothers and sisters who in the last March elections did not vote for the PD and the opposition because they were subjected to pressure, terror, and fear. We welcome them because there can be no latecomers on the road of democracy. We have promised, Dr. Berisha continued, to develop a quiet and dignified campaign because democracy means tolerance and understanding. He then said that he appealed to all the intellectuals of Berat, in the name of their ideals, to go to the countryside, as the situation requires, and to convince the peasants, explaining to them why they must vote for the opposition, for Albania, and for the future of the people.

Mr. (?Geoffrey Patty), deputy chairman of the British Conservative Party, then spoke. He said, among other things, that he had come to support his close friend, Dr. Sali Berisha. I bring you greetings from Britain, Mr. John Major, and Mrs. Thatcher. We can hardly wait for Albania to join the big family of Europe, always under the leadership of Mr. Sali Berisha. Albania, he said later, must at all costs have a democratic government, so that the world can invest in you. I would ask you, he continued, to transmit this message of mine to all those who are not present at this rally today. Professor Dr. Sali Berisha then answered the questions of the rally's participants.

Greek-Albanian Party To Participate in Elections

NC2502135492 Athens Elliniki Radhiofonia Radio Network in Greek 1230 GMT 25 Feb 92

[Text] The Union for Human Rights is the new party that, according to all indications, will participate in the Albanian parliamentary elections on 22 March in place of OMONOIA, which has been excluded.

In a telephone conversation with Deputy Foreign Minister Viryinia Tsoudherou, we learned that authoritative sources in Tirana have been saying since yesterday that the application of the new party has been approved. But there is no official report yet.

The new party consists of minority Greeks, OMONOIA cadres and non-cadres, and Albanians. It is expected this party will put up candidates in all of Albania, not just in Sarande and Gjirokaster; areas which according to the Albanian authorities are the only ones with minorities.

In recent days the Albanian leadership has received strong international pressure to allow the Greek minority party OMONOIA to participate in the elections.

Security Adviser Denies Government Coup Rumors

AU2602084492 Sofia BTA in English 2254 GMT 25 Feb 92

[Text] Sofia, February 25 (BTA)—"There are no reasons to dramatize recent rumours and reports of attempts to discredit state officials and bodies," Mr. Stoyan Andreev, national security adviser to the president, told BTA today.

This problem was discussed by the National Coordinating Council of the Union of Democratic Forces (SDS) and later on by the SDS parliamentary faction. It also provoked an extraordinary session of the National Security Council with the Presidency. The meeting was attended by President Zhelev, Premier Filip Dimitrov, National Assembly Chairman Stefan Savov, Minister of Defence Dimitur Ludzhev and the chief of the Parliamentary National Security Council, Yordan Vasilev.

Mr. Andreev said that the council had ordered the competent authorities to check the sources and the authenticity of the reports that attempts would be made to discredit top-ranking government officials and state institutions. According to reports in the press, documents discrediting Foreign Minister Stoyan Ganev and the leader of the Movement for Rights and Freedoms, Ahmed Dogan, have been handed over to President Zhelev who presented them to Mr. Dimitrov and Mr. Savov.

SDS members say that all the allegations are unsubstantiated and that they are a part of a plot to bring down the government. Some SDS MP's [member of parliament] believe that the purpose is to divert the attention of the MP's away from the pending bills on privatization, amendments to the Land Act and the act on decommunization.

Mr. Stoyan Andreev told BTA that neither the reports of a conspiracy organized by the secret services or by individual officials against the government nor the allegations against Mr. Ganev and Mr. Dogan have been proved.

The National Security Council will also discuss the problems of the country's power industry which have recently led to electricity rationing.

Zhelev Dismisses SDS Accusations Against BSP

AU2602084692 Sofia DUMA in Bulgarian 21 Feb 92 p 1

["DUMA PRESS" report]

[Text] President Zhelyu Zhelev described as frivolous the statements made in the declaration issued by the parliamentary group of the Union of Democratic Forces-Democrats [SDS-Democrats]. At a meeting with Zhan Videnov, chairman of the Supreme Council of the Bulgarian Socialist Party [BSP], he expressed doubt that the declaration reflected the general stance of the SDS and the entire SDS parliamentary group.

According to the president, he had received no information whatsoever about any preparations being made for illegal acts against the institutions of state power. He agreed with Videnov's view that such statements are utterly irresponsible when unsupported by any evidence, and are in the interest neither of the SDS nor of the country as a whole. Now Bulgaria needs a calming of the situation, not incitement of feelings, Mr. Zhelev stressed. In his view, political duels cannot resolve any serious problem.

The president described the threats against the BSP as a lot of hot air. According to Zhan Videnov, Mr. Zhelev frowned heavily when he was told about the decommunization bill that was submitted to parliament on 20 February.

Today the BSP leader will meet Prime Minister Filip Dimitrov and Snezhana Botusharova, deputy chairman of the National Assembly.

Extraparliamentary Parties Criticize SDS

AU2602094592 Sofia BTA in English 2144 GMT 25 Feb 92

[Excerpts] Sofia, February 25 (BTA)—[passage omitted] Certain circles of the former communist and now Socialist Party are really engaged in illegal activities, Mr. Aleksandur Yordanov, deputy chairman of the Coordinating Council of the SDS [Union of Democratic Forces], believes. For him the Socialist Party is not a unified political organization.

Mr. Zhan Videnov, the leader of the Socialists, told journalists today that he has officially approached the prosecutor with a request that the competent authorities make public any facts confirming the allegations that conspiracies were being organized in Bulgaria. Mr. Zhan Videnov himself intends to file a suit against Georgi Markov, MP [member of parliament] of the SDS who called the leadership of the BSP "scum." [passage omitted]

The regional paper of the SDS in the city of Veliko Turnovo—"SINYO VREME," stopped coming out by decision of the local SDS coordinating council. "The paper is not following the line of the National Coordinating Council of the SDS," it is pointed out in the decision. The editorial staff of "SINYO VREME" sent letters of protest to the president, the chairman of the National Assembly and the prime minister. The journalists intend to go on a hunger strike.

The Bulgarian Social Democratic Party (which split from the SDS last summer) does not approve of the policy of the radical wing in the SDS, but does not accept the allegations of the Socialists that there is dictatorship in this country. At a press conference held in Sofia today, the leadership of the Social Democratic Party said that it

is dissatisfied with the economic measures undertaken by the government of the ruling coalition.

The SDS was accused by the extraparliamentary Bulgarian National Democratic Party of retreating from its election platform. The economic policy of the SDS provides no guarantees for protecting the national wealth from being sold out, the nationalists claim.

According to the Green Party (which left the SDS in the summer of 1991) and the Bulgarian Democratic Centre, a redistribution of the political forces has already started in Bulgaria. But they are not expecting early parliamentary elections. The Green Party is a genuine democratic opposition, its leader, Mr. Aleksandur Karakachanov, told journalists today. [passage omitted]

The mayors of Dimitrovgrad (southern Bulgaria) and of the Salonika municipality signed a protocol on cooperation in 1992 today. Dimitrovgrad and Kalamaria will exchange specialists in different professions—engineers, physicians, architects.

At a meeting in the city of Blagoevgrad (Pirin Macedonia) representatives of the official authorities and the business circles at municipal level expressed the desire of using more possibilities for cooperation between the borderline municipalities of Bulgaria and Greece. [passage omitted]

Parties React to SDS Claims of Collusion

AU2602094992 Sofia DUMA in Bulgarian 21 Feb 92 pp 1, 2

[DUMA PRESS report: "Dr. Dertliev Calls 'Checkered Declaration' Diversion and Paranoia; There Are No Indications of Acts Against Authority in the Special Services"]

[Text] On 20 February, Dr. Petur Dertliev, leader of the Bulgarian Social Democratic Party [BSDP] called the declaration by Georgi Markov diversion and paranoia. It does not show the Union of Democratic Forces' [SDS] determination, but the aggression of fear. Dertliev told a DUMA reporter that, as a doctor, he knows that there is nothing more terrible than paranoia that has turned into aggression. Dertliev believes that the cause of the SDS' reaction is the masking of the SDS' internal conflicts, arising from an inability of those in power to cope with governing. In his opinion, no party can govern the country successfully at the moment using only its own cadres.

It is possible that there is a plot within the SDS, but not in society; Dertliev was categorical about this. He advises those who accuse him of being in league with the Communists and special services, first of all to burn their old party membership cards as well as denunciations signed with fancy nicknames.

Mr. Georgi Markov explained that they had called a meeting on 15 February to show that "the time has come." If the time has come for clashes and war with the SDS, then we are ready, he stated. He complained that the media had given the floor to the generals with no armies such as Dertliev, Simeonov, and Karakachanov in order to create panic.

On 20 February, it was not clear who had declared the 15 February meeting, whether the Group of 39, the Varna Group, the SDS Parliamentary Group, or the SDS National Coordinating Council were behind it. Father Subev knew nothing about it despite being deputy chairman of the National Coordinating Council, and Edvin Sugarev recalled that an initiative had been mentioned, politically endorsed by the National Coordinating Council.

Regarding the declared meeting, Ivan Gorinov, spokesman for the Green Party, said that it was quite strange for a ruling party to seek support for itself from the street. Gorinov's conjectures in connection with Markov's declaration were either that there is panic within the ruling ranks or it is a result of the provocation of certain circles trying to create tension. Talk of the Green Party uniting with the Bulgarian Socialist Party [BSP] is far too premature; the question as to with whom we will unite depends on our actual interests, the "Greens" spokesman said.

Petko Simeonov told DUMA on 20 February that the declaration read by Georgi Markov was ridiculous, but at the same time dangerous. It was becoming clearer all the time that the Group of 39 want revolution and not reform. He called the declaration's authors dangerous people who want to bring about the idea of a checkered [dantalena] democracy and to restore the Bulgaria of the thirties.

Zhan Videnov, chairman of the BSP Supreme Council, thinks that the Varna and "checkered" declaration is an attempt to remove the present rulers from the realms of criticism. Criticism of them does not only come from BSP circles; they are mainly to do with the progress of the reform. The SDS-Movement is opening the door to a parliamentary crisis aimed at a new deal of the cards, from which the "blues" emerge with minimal losses, Videnov stated. The BSP leader said that the BSP is part of the political spectrum established through a difficult but peaceful process and is least likely to be frightened by the threat of being banned.

Professor Nora Ananieva's opinion is that we could react derisively to the attempts to ascribe to us the bringing down of the government by force. The chairwoman of the Parliamentary Union for Social Democracy recalled that such a claim is even more ridiculous when it comes from people who did a great deal to bring down the legally elected state institutions, contrary to the Constitution, and who now act counter to the principles of parliamentarianism. She declared the parliamentary opposition's readiness to continue with its constructive line and respect for state institutions however tense the

situation became. At the same time, we will keep a critical eye on their activities, Ananieva said.

The Podkrepa Labor Confederation leadership refrained from an official reaction, but a source close to the confederation said that it did not feel concerned because the trade union was not mentioned among the "destructive forces" quoted in the document. Krustyo Petkov, leader of the Confederation of Independent Trade Unions in Bulgaria refused to comment saying that he was too tied up with the confederation's forthcoming congress.

Verzhiniya Velcheva stated on radio that the SDS will insist that the Presidential Council for National Security is called in connection with the facts that they have that some sort of plot has been prepared. Mr. Rumen Danov, adviser to President Zhelev on national security matters, said that no indications had reached him.

Chavdar Petkov, director of the National Security Service, said that the Security Service is loyal to the legally elected institutions; its employees want law and order to exist in the country. He was categorical that no indications or information had reached them of any actions in the country connected with preparations for an attack against the legally elected authorities.

On 20 February, Kiril Kirilov, spokesman for the National Protection Service, said that we cannot have any particular attitude to "the SDS's determination not to enter into collusion with the communists," because we are professionals. We are loyal to the authorities and within the realms of our competence is the protection of the state leadership, including those leaders from the SDS who are at present ministers, Mr. Kirilov pointed out.

National Interests Committee Replaced by New Party

AU2602121892 Sofia PRESSLUZHBA KURIER in Bulgarian No. 35, 19 Feb 92 p 5

["Official Announcement on the Dissolution of the Nationwide Committee for Defense of National Interests and the Founding of a National Democracy Party"]

[Text] Today, 16 February 1992, a General Delegates Conference of the Nationwide Committee for Defense of National Interests (OKZNI) held in Khaskovo adopted a decision with a majority of three-quarters of the delegates to dissolve OKZNI as a public supraparty political organization.

Condemning the unconstructive political approaches of persons who have declared themselves to be a legitimate leadership of OKZNI—consisting of Messrs. D. Balabanov, M. Minchev, and G. Pavlov, the delegates accepted that OKZNI has fulfilled its main political aims and that political conditions do not allow it to be an organization that consolidates Bulgarian citizens.

A decision was adopted on a proposal made by some of the delegates to found a new political party, the National Democracy Party [Partiya Natsionalna Demokratsiya], with a liberal orientation and giving priority to national and social interests.

Mr. Dimitur Arnaudov, formerly an independent member of the Grand National Assembly, was elected as chairman of the newly formed party.

Khaskovo, 16 February 1992

Public Polled on Privatization, Restitution

AU2102153392 Sofia BTA in English 1404 GMT 21 Feb 92

[Text] Sofia, February 21 (BTA)—The transformation of enterprises into joint stock companies and the sale of shares is the most appropriate form of privatization, according to 55 per cent of the respondents to a sociological survey conducted by the National Statistical Institute (NSI) in February. 16 per cent of the respondents believe that it is necessary to set up companies with foreign participation, 12 per cent are for the complete purchase of the enterprises, and only 2 per cent are for the selling of the enterprises to foreign investors. 12 per cent of the respondents are against privatization.

These are data of a sociological survey conducted by the NSI from February 5 through 13, 1992 on privatization and restitution, which are yet to be legally regulated. The survey covers a representative sample of 2,300 persons aged 18 and over.

Fifty-two per cent of the respondents believe that the participation of foreign investors should be restricted, 27 per cent believe that these restrictions should apply only to certain spheres of the economy, and according to 14 per cent of the respondents there should also be restrictions as regards the nationality of the investors. At the same time every fourth respondent believes that the privatization act should include some limitations concerning foreign investors.

Forty-three per cent of the respondents are against the privatization of power engineering, 40 per cent are against the privatization of the arms industry, 36 per cent are against the privatization of health care, and 30 per cent are against the privatization of education. Every fifth respondent expressed a negative attitude to the privatization of the radio and television.

Eighty-two per cent of the respondents believe that the employees of the enterprises should be given preferences in the process of their privatization.

Thirty-two per cent of the respondents believe that losing enterprises should be privatized first, while 25 per cent believe that the profitable enterprises should come first. The profitability of the enterprises makes no difference to 28 per cent of the respondents, and 15 per cent expressed no opinion on this problem.

The overwhelming part of the respondents do not intend to take part in the process of privatization—71 per cent. 16 per cent will take part with their own funds, 10 per cent with bank credits and 3 per cent will take loans from their relatives.

A relatively small percentage of Bulgarians intend to take part in the process of privatization and restitution. The expectations of the respondents are mainly in the field of the restoration of ownership rights on housing—4 per cent, shops—3 per cent, workshops—2 per cent, and industrial enterprises—2 per cent. A large part of the respondents are not expecting to be returned any property, with the exception of land.

World Bank Urges Speeding of Privatization

AU2602102092 Sofia BTA in English 2157 GMT 25 Feb 92

[Text] Sofia, February 25 (BTA)—Bulgaria is now the only country of the reforming East European countries that does not have a privatization law, Mr. John Wilton, leader of the World Bank mission to Bulgaria, said at a press conference today. According to him, this is the main obstacle to making the second, 250-million-dollar tranche of the World Bank loan effective.

The consolidation of the banking system through the merging of the existing 80 small and non-viable commercial banks into eight or ten credit institutions with a sound portfolio is the next step which the Bulgarians should take, according to Mr. Wilton. At a press conference here today the World Bank expert summarized his impressions from his two-week contacts with the government, banks, political forces and trade unions.

The speeding up of the agrarian reform and the adoption of key legislation regulating the establishment of a modern social security system are among the other conditions Bulgaria must fulfill to receive the tranche. Mr. Wilton called on the Bulgarian Government to take effective measures to balance the budget and keep inflation under control and on the European Community—to open up its markets to Bulgarian agricultural produce. This, according to Mr. Wilton, is the most efficient way to promote the reforms on Bulgaria. By opening Western markets to exports from the former socialist countries the European Community could stimulate the reforms in the eastern part of the continent, Mr. Wilton said.

On his part, Mr. Ivan Kostov, Bulgaria's minister of finance, said that Sofia has managed to fulfil most of the World Bank conditions. He thanked the World Bank mission for reconciling the "antagonistic forces" in Bulgaria, as a result of which they managed to reach a consensus on the main problem—the bill on privatization. Mr. Kostov expressed his hope that Bulgaria would meet all the World Bank conditions in the near future and would thus create conditions for harmonizing positions and going ahead with the tranche release. He explained that the government has not yet announced its economic programme because the main indicators in this programme should have been coordinated with the World Bank and the International Monetary Fund. The coordination is continuing, Mr. Kostov said. In his view, these issues would be further discussed during the forthcoming visit of Premier Filip Dimitrov to Washington.

* President Zhelev Interviewed on Balkan Situation

92ES0485A Athens TO VIMA TIS KIRIAKIS in Greek 2 Feb 92 p A17

[Interview with President Zhelyu Zhelev by N. Marakis in Sofia; date not given: "Zhelyu Zhelev Declares 'The Borders Are Inviolable'"]

[Text] Sofia, Feb—The chill in relations between Athens and Sofia is evidenced in what Bulgarian President Zhelyu Zhelev said in answer to questions put to him by TO VIMA. The mild terms he used do not conceal dissastisfaction shown by Sofia over Greek policy in the Balkans.

Mr. Zhelev considers the recognition of Skopje's independence by his country as a "consequence of a consistent position of principles" and he expresses the conviction that other countries of Europe will recognize Macedonia and the other republics of the former Yugoslavia. Indeed, he insists that "this fact constitutes a stabilizing act for the situation in the region."

These positions evidently constitute a change in the decades-long view held by Bulgaria that there is neither a "Macedonian nation" nor "a united Macedonian people."

The Bulgarian president does not consider relations between his country and Greece prior to and after the overthrow of the Zhivkov regime comparable. His basic position is that no "basic contrariety" exists between Athens and Sofia at the present time. At the same time, he most emphatically rejected "any historical and nationalistic claims for revising existing borders," claims which he considered the "product of a crude and dangerously stupid policy." He also asserted that Bulgaria is interested in peace and stability in the region and is resolutely opposed to attempts to resolve existing conflicts through the force of arms.

The three last elements comprise a platform that permits the continuation of a dialogue between Athens and Sofia.

The following is a full text of the interview:

[Marakis] How do you evaluate the current state of relations between Greece and Bulgaria? To what do you attribute the scene of public recriminations that became evident last month? Do you feel that there is some latitude for improvement in relations? If yes, in what way?

[Zhelev] I feel that bilateral relations between Bulgaria and Greece are at a level that cannot be compared with the preceding period when there was a totalitarian

regime in Bulgaria and when Bulgaria was a member of the Warsaw Pact. Presently, the Republic of Bulgaria shares all the basic principles and values of European democracy, and it is altogether natural that two democratic countries such as Bulgaria and Greece should develop their relations on the same political basis. Democracy constitutes the foundation for genuine cooperation and friendship between Bulgaria and Greece. Perhaps the fact is not fortuitous that the first agreement that the new Bulgaria signed with a neighboring country was with Greece itself. For that reason I feel that no basic contrariety exists in the relations between our two countries.

[Marakis] Your country has been criticized by circles in Skopje (even publicly with published articles in NOVA MAKEDONIA) for wanting to change the borders to its own benefit or even absorbing the Yugoslav Republic of Macedonia. There is also talk in your country about a return to the provisions of the Agreement of St. Stefan. Do you believe that Bulgaria is presently wronged by the border outlines in the Balkans? Do you feel that some modification of the borders is needed?

[Zhelev] Bulgaria has repeatedly stated that it does not want to profit from difficulties experienced by Yugoslavia as a result of the crisis evolving there. Moreover, not only have we expressed this, but we really have shown it. In its foreign policy Bulgaria strictly adheres to the rules of international law, the provisions of the Charter of Paris, and the principle of the free and democratic self-determination of peoples.

As for its neighbors Bulgaria categorically defends the inviolability of borders and nonintervention in internal affairs. For that reason I consider that such allegations are groundless and harmful to the atmosphere of stability in the Balkans. The present borders are a reality and all of us must conform to them. Any historical and nationalistic claims for a revision of existing borders are the product of a crude and dangerously stupid policy.

[Marakis] How do you explain the general uneasiness your country expresses over relations between Athens and Belgade? Do you feel that the creation of a "Small Yugoslavia" goes contrary to the interests of Bulgaria?

[Zhelev] The fate of the republics west of our borders is the work and choice of their people. As to how the people will determine relationships among them is their own problem. We only desire that this be accomplished in a peaceful manner without the use of military force but through the means of political dialogue and in the spirit of the principles of a united Europe. Bulgaria will agree to any decision that does not contradict all of that. If there can be talk about "our own interest" then that is our own interest.

[Marakis] Do you feel that developments in the Balkans constitute a threat to the security of Bulgaria? If yes, in what way? How do you propose confronting it?

[Zhelev] As a country that is in the center of the Balkans it is natural that what is happening in our region cannot but affect our security also. We are interested that peace and stability prevail in the region. For that reason we are resolutely opposed to attempts to resolve conflicts through the force of arms. Even in the war in Croatia, noncombatant Bulgarian civilians were killed. God forbid...if such a conflict should flare up on our own borders, that would undoubtedly destabilize the situation, would cause problems with refugees, and would create unforeseen consequences. For that reason the best thing is to avert the existing danger through a peaceful policy of principles that Bulgaria is now following. We believe in the correct logic of our Balkan neighbors.

[Marakis] How does the suppport given by the Turkish minority to your election as president of the Republic, as well as the support given by the Freedoms and Rights Movement to the SDS [Union of Democratic Forces] government, of which you are the historic leader, influence your position and policy?

[Zhelev] The support of the Bulgarian Turks in the election makes me an even greater faithful supporter of the position that our country's problems can be resolved only through the path of democracy and equality of all the citizens in the face of the law. This also concerns the support given to the SDS government by the Freedoms and Rights Movement.

[Marakis] On your initiative, Bulgaria was the first country that recognized the self-proclaimed Republic of Macedonia. What were the reasons for such a hasty action on your part? Do you believe that it will contribute to stabilization of the region?

[Zhelev] In my opinion, this act of mine was not a hasty one but is the logical consequence of a consistent position of principles that Bulgaria has manifested since last summer on the occasion of the events taking place in Yugoslavia. The people of the Republic of Macedonia, freely and democratically through a referendum, expessed their desire for independence, a principle on which, as I said, our foreign policy is based. Besides that, the European Community Arbitration Committee confirmed in its report that the Republic of Macedonia satisfies the conditions of the community for being recognized as an independent nation. The logic of developments in Europe convinces us that other nations of our continent will also, within the shortest period of time, recognize Macedonia and the other republics of the former Yugoslavia. This fact constitutes a stabilizing act for the situation in the region.

Spokesman Gives Assurances on German Treaty

LD2502101192 Hamburg DPA in German 0738 GMT 25 Feb 92

[Text] Berlin (DPA)—The CSFR Government considers the German-Czechoslovak treaty on good-neighborliness to be a good starting point for a totally new kind of mutual relationship. This was stated by Prague Foreign Ministry spokesman Egon Lansky on RIAS (Radio in the American Sector) Berlin, today, two days before the planned signing of the treaty in Prague by President Vaclav Havel and Federal Chancellor Helmut Kohl.

Lansky refused to comment on the idea that the federal government, under pressure from certain radical circles, has delayed the signing of the treaty. "If that were the case then I would consider it very sad," Lansky said. Concerning demonstrators in Czechoslovakia opposing the treaty, Lansky said that a number of groups are understandably skeptical. In this connection he mentioned people living in the border areas who are worried about their property, Czech Jews, survivors of German concentration camps, and Czechoslovaks who, during the Nazi period, had been used as forced labor in Germany. He emphasized that in contrast to most Nazi victims in Europe, these people have received not a single penny in compensation. However, irrespective of all the difficulties, Lansky said, a new start in German-Czechoslovak relations has been made. The time has now come to flesh out this contractual framework.

President Clarifies Proposal to Sudeten Germans

LD2402092192 Prague Stanice Ceskoslovensko Radio Network in Czech 0300 GMT 24 Feb 92

[Text] The President's Office has issued a statement saying that President Vaclav Havel has never negotiated with the Sudeten side about the possibility of the restitution of Sudeten German property. On the contrary, he has been stressing that the return of property confiscated before the year 1948 can not be taken into account. Vaclav Havel merely asked the German side if it would agree to state verbally that it would not support the property demands of Sudeten Germans if Czechoslovakia were willing to restore individual citizenship of those Germans who had been Czechoslovak citizens until 8 May 1945, who would be interested in restoring their citizenship and would like to settle permanently in Czechoslovakia. However, the possibility of having their citizenship renewed would be conditional on an explicit annulment of the Munich agreement. The renewal of citizenship would not entitle anyone to any rights to restitution, but it would automatically enable them to participate in the privatization process.

German Capital Accounts for 70% of Investments

LD2102190192 Prague CSTK in English 1214 GMT 21 Feb 92

[Text] Prague Feb 21 (CSTK)—Czech Deputy Premier Jan Strasky today said the overall volume of foreign capital invested in the Czech Republic in 1990 and 1991 totalled 760 million USd. Speaking at an international congress called "Trade, Cooperation and Investment Opportunities in Czechoslovakia", which opened here Thursday, Strasky said Germany accounted for 70 per cent of the volume, Switzerland for 10.5 per cent, Belgium 9.5 per cent and the United States for 5.5 per cent. Strasky also said development of basic telecommunications services in Czechoslovakia will require investments of 160,000 million to 180,000 million crowns by the year 2000.

Czechoslovak Minister of Labour and Social Affairs Petr Miller said 1992 will not yet be a year of economic recovery, rather a three to six per cent economic decline is expected. Miller told foreign business representatives taxes would gradually fall and wages rise in the country.

Calfa Views Problems at Russia Environment Talks

AU2402144292 Prague TELEGRAF in Czech 21 Feb 92 p 3

[Interview with CSFR Prime Minister Marian Calfa by Lucie Staudova; place and date not given: "They Did Not Accept Environmental Damage"]

[Text] During the Czechoslovak delegation's talks with representatives of the Russian Government on 18 February, no agreement was reached on the problems connected with the previous stay of Soviet troops in Czechoslovakia. The Czechoslovak delegation was headed by CSFR Prime Minister Marian Calfa, who was accompanied by Minister of Labor and Social Affairs Miller, Foreign Affairs Minister Dienstbier, and Environment Minister Vavrousek.

[Staudova] Mr. Prime Minister, what were the proposals with which you were leaving for Moscow?

[Calfa] We were leaving with the conviction that this is a serious matter involving billions of korunas worth of damage. Our compromise, so-called "zero," option was to stop arguing about the value of property left behind by the former Soviet Army on Czechoslovak territory and to auction off this property in the presence of Russian experts. The proceeds would be deposited in a special account, from which we, as Czechoslovakia, would compensate environmental damage. If the money raised in this way exceeds the agreed sum due to Czechoslovakia as ecological compensation, we will surrender the difference to the Russian side. If, which is more likely to be the case, the proceeds fall short of the agreed volume of environmental damage and the Russian side has to defray the difference, new talks would begin. At the moment we propose that the agreement be terminated at this stage. [sentence as published]

[Staudova] Is there any money in the Czechoslovak account already?

[Calfa] While the talks continue, it is necessary to pay from these financial resources the travel expenses of the Russian experts we are dealing with. In this way the Russians are actually spending money that should be used to compensate for damage.

[Staudova] Why did you not accept the proposals of the Russian side?

[Calfa] The damage under consideration involves three different categories—damage to physical persons (that is, damage to the health or, as the case may be, lives of citizens), damage to legal entities (property-related damage, the ban on executing certain activities), and ecological losses, which mostly concern damage caused by leakages of oil-based products. The Russian side accepted the first two categories but not ecological damage (the Czechoslovak estimate of ecological damage in 87 localities is 3 billion korunas, the Russian estimate a mere 1.5 billion—editor's note).

The Russians propose the sale of Soviet soldiers' property, but they propose that only half of the money raised be deposited on the account. For the second half they demand prefabricated wooden houses for 200,000 officers, which we have. Hence, at least 50 percent of the environmental damage would not be offset. This option was unacceptable to us.

[Staudova] How then will the protracted dispute be dealt with?

[Calfa] I think that eventually our proposal will have to be adopted anyway. It is unrealistic to believe that we will get additional funds from the Russian side. We can work only with what we have on our territory. We told the Russian side that its property, which is in a dilapidated condition and unused, poses a threat to our population and will have to be torn down for security reasons. The value of former Soviet property will be reduced so that they will not get anything out of it. That is our asset, and the subsequent rounds of talks will be held in this tenor.

[Staudova] When will the talks continue?

[Calfa] As soon as possible. We will try to get tougher in these talks because the problem must be resolved as soon as possible.

Miklosko Sees Treaty Decision After Jun Elections

AU2502125392 Prague CSTK in English 1241 GMT 22 Feb 92

[Text] Bratislava Feb 21 (CSTK)—Frantisek Miklosko, chairman of the Slovak National Council (parliament), Friday [21 February] admitted that an agreement between the Czech and Slovak republics on Czechoslovakia's future state setup might be decided only after the June election. Speaking on Slovak television, Miklosko said there is no reason for the forthcoming session of the Slovak parliament to take a stand on the draft agreement worked out by the two republics' representatives at Milovy, South Moravia, February 9, although the Czech parliament considers it a basis for talks (the Slovak parliament Presidium voted down the draft February 12). In his opinion, the presidiums of the two parliaments will have to meet to explain their stands to each other.

Slovak Council Approves Draft Treaty Report

LD2502171392 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 25 Feb 92

[Report by correspondents Bielikova and Tvarozek from the Slovak National Council session in Bratislava including recorded remarks by Slovak National Council Chairman Frantisek Miklosko]

[Excerpts] [passage omitted] [Bielikova] It was 1140 when the third point on the agenda was reached, namely, the draft treaty on the state setup. Slovak National Council [SNC] Chairman Frantisek Miklosko read the report. [passage omitted]

[Tvarozek] The SNC Presidium did not approve the draft text on 12 February. The Czech National Council [CNC] Presidium met before that date, and Frantisek Miklosko says their statement is vague and evasive. That is why he now proposes that the following statement be accepted by the SNC.

[Miklosko] The SNC acknowledges the report from the talks at Milovy, which I just read, and the decision by the SNC Presidium not to approve the draft treaty text that was compiled at Milovy. The SNC recommends that the SNC deputies' blocs submit to the SNC chairman their views on the draft before 28 February 1992. It will subsequently be submitted to the CNC Presidium.

The SNC expects the same procedure to be carried out by the CNC deputies' blocs. The SNC recommends to the SNC Presidium to meet with the CNC Presidium and jointly assess on the basis of the views of the deputies' blocs the possibilities of concluding the treaty. The SNC will evaluate the whole process of the treaty preparation and the solution to the state setup at its next meeting.

This is the proposed statement that I am submitting after a session of the political caucus of the SNC, of the representatives of all political parties and movements in the SNC. It is a proposal that we adopted this morning, in principle. That is all I want to say. If anyone has serious comments, feel free to voice them. [passage omitted]

[Prague Stanice Ceskoslovensko Radio Network in Slovak at 1600 GMT on 25 February reports that the Slovak National Council approved the report on the draft treaty on the state setup]

Klepac Spells Out Objections to Draft Treaty

AU2102101392 Bratislava SLOVENSKY DENNIK in Slovak 15 Feb 92 pp 1, 3

[Interview with Jan Klepac, Slovak National Council deputy chairman, by "AB"; place and date not given: "Returning to Christian Clarity in Our Policy"]

[Text] After the interview with Christian Democratic Movement [KDH] Chairman Jan Carnogursky which we published yesterday under the title "The Opinion Differences Have Become More Visible," we are publishing an interview with KDH Deputy Chairman Jan Klepac, so that readers may become more familiar with opinions of representatives of both streams within the KDH.

[SLOVENSKY DENNIK] Let us start with the substantial: Why, in your opinion, has the Slovak National Council Presidium not approved the text of the treaty on the constitutional setup?

[Klepac] The treaty drafted in Milovy contradicts Slovak National Council plenary meeting resolutions No. 130 of June 1991 and No. 197 of November 1991. These documents tasked the Slovak National Presidium with concluding a treaty between the Czech Republic and the Slovak Republic with the proviso that the treaty will have the force of a legal and permanently valid document. The Milovy draft treaty lacks these provisions. This means that if the Slovak National Council Presidium approved the treaty, the Presidium would be at odds with the plenum.

[SLOVENSKY DENNIK] The preamble to the treaty speaks about the people of the Czech and the Slovak Republic who want to reach agreement on principles of the constitutional setup.

[Klepac] The text of the Milovy treaty simply lacks the section defining who is the party to the treaty. The original text of this section reads: "The parties of this treaty are the Czech and the Slovak Republic." This is what was adopted at the Slovak National Council Presidium meeting on 7 January 1992. However, the Slovak delegation did not respect this fact in Milovy. If someone says that it is hidden somewhere in the text of the treaty, or that if follows from the context, then let him put it there. That is to say, this is the main reason for disputes arising during the talks between the Czech and the Slovak National Council presidiums. The Czech side tenaciously tries to prevent Slovakia from becoming more visible as a separate entity.

The treaty will not even be a permanent source of law. Article No. 34, which says that the Czech National Council and the Slovak National Council will suggest that the Federal Assembly should respect the principles contained in the treaty when adopting the constitution of the common state clearly defies the principle that the sovereignty of the republic is the primary thing. This article changes the treaty into a legal initiative which the Federal Assembly can, but does not have to accept. It is very surprising that according to Article 35, which stipulates that the votes of three fifths of the deputies in both national councils were required for the treaty to be passed, only a simple majority is now needed. Maybe, the intention was to make the treaty more "passable".

[SLOVENSKY DENNIK] How does the draft solve the power sharing between the common state and the republics?

[Klepac] The draft does not represent a qualitative shift in the constitutional setup between the Czech and the Slovak Republic. The draft partly borrows from the articles of the current federal constitution. In some cases the draft contains worse solutions to power sharing—worse than the current situation—and it refers to laws that will be passed only in the future. That is, we are obliging ourselves in the treaty to respect something that has not been legally specified as yet. Article No. 4 of the existing Constitution says that the CSFR economy is an integration of two national economies. The text of the draft says that the CSFR economy is one economic whole. With such a definition, it would be difficult to provide the republican governments with economic tools, as required by the KDH economic program.

In the sphere of foreign policy, the formulation that the common state should deal with legislative and executive matters with respect to foreign countries and international organizations—and all the rest should be in republics' powers—was rejected by negotiators in Milovy. They preferred using the "tested and tried" formulation in Article 7 of the existing constitution. Mr. Dravecky, Slovak Republic first deputy international relations minister, drew my attention to the fact that this happened only after he had left Milovy. It is obvious that it was easier to make this correction then. Slovak Interior Minister Pittner informed me that the commission in Milovy did not take into account his comments on the protection of state borders. They put executive powers under CSFR jurisdiction, by which the agreement involving three ministers (of the Czech Republic, the Slovak Republic, and the CSFR) and several deputies of the Defense and Security Committee concluded in November 1991 in Bratislava was violated.

The new text in Article 23 speaks about coordinating committees for the consolidation of the course of action taken by executive bodies. So far, no one has been missing coordinating committees in the sphere of education and culture. Where is our original idea that there will be three ministries on the level of the common state, and no more? Do I have to continue?

[SLOVENSKY DENNIK] What is your view on the discussion that developed in the mass media and among the public after the Slovak National Council Presidium rejected the treaty?

[Klepac] It is true that the weaker the arguments our statements contain the more demagogic they are. Take, for example, the statement: Who is against the treaty is also against the common state. We have tried to preserve

the common state all the time, but not by making cosmetic changes to it. We want to preserve the common state but we want to transform it so that it meets the needs of both republics.

There are people saying that two years of work of experts and deputies have been lost. However, the reality is that the work on the text began after the meeting between the Czech and Slovak National Council Presidiums in the Bratislava Castle on 5 and 6 September 1991. That is, we are speaking about five months. Anyway, I believe that we should destroy any work, no matter how many years it may involve, if the results of such work are not to the benefit of this republic and our people.

[SLOVENSKY DENNIK] What effect will the nonapproval of the treaty have on the Christian Democratic Movement?

[Klepac] Within the KDH, there are people who have various ideas about the constitutional setup, ranging from a federative state to two independent states. So far, it did not matter. Our common Christian idea has always bridged our opinion differences. Despite this, the polarization of opinions is taking place. Any problem can be solved, however. Conclusions made at our meetings and resolutions of the KDH Council show the way. If the KDH adopts the stance saying that it is necessary to adopt a full Slovak Republic constitution and only subsequently conclude a treaty with the Czech Republic, then no one may question it, not even by issuing ambiguous statements. Otherwise the KDH would continue losing its supporters. We must return to Christian clarity in our policy, since this clarity has somehow disappeared from our policy. Our speech must be plain: yes or no!

Slovak Council Deputy Urges Reformulating Treaty

AU2102093892 Prague TELEGRAF in Czech 19 Feb 92 pp 1, 2

[Interview with Ivan Carnogursky, deputy chairman of the Slovak National Council, by Jaroslav Kafka; place and date not given: "A Sovereign State...."]

[Text] [Kafka] Mr. Deputy Chairman, at its meeting yesterday the Slovak National Council Presidium dealt once again with the treaty between the Czech National Council and the Slovak National Council that was drafted at Milovy and that it recently rejected. What did you decide?

[Carnogursky] We decided to submit the draft to the Slovak National Council plenum for discussion very soon. Some opposition representatives yesterday gave the impression that, if some details in the text were to be reformulated, they would not assume a negative stand on this draft.

[Kafka] Does that mean that if the Slovak National Council plenum approved the draft treaty in the form in which it was proposed at Milovy, representatives of the national councils would meet again to consider the text?

[Carnogursky] Indeed, it would be necessary to very quickly reformulate some passages of the treaty....

[Kafka] Could you be more specific?

[Carnogursky] In the preamble and in the first chapter there are several references to the fact that, actually, a treaty between the republics is involved, even between national republics. In defiance of this, the whole treaty starts with the introductory sentence about the people of the Czech Republic and the people of the Slovak Republic. In our opinion, this formulation is not the most fortunate one. After all, we have had people for 40 years here in all modifications. The formulation "the Czech National Council in the name of the Czech Republic and the Slovak National Council in the name of the Slovak Republic" should be retained. Another open issue is that of repeated ratification in constitutional matters.

[Kafka] In other words, if the Slovak National Council approved the draft treaty, the presidiums of the two national councils would still have to agree on the corrections that you just mentioned. Is there a danger of the talks becoming deadlocked again?

[Carnogursky] Those little details should not become an obstacle. The chairmen of the national councils discussed this issue yesterday. There should not be any further complications if the Slovak National Council approves the draft treaty.

[Kafka] On 17 February you declared: "Those members of the Christian Democratic Movement, who in the Slovak National Council Presidium voted against the draft treaty between the Czech National Council and the Slovak National Council, failed to grasp the fact that this draft was to open the path for Slovakia to become a sovereign state...."

[Carnogursky] Yes, I meant what I said, literally. The treaty would do this not at some point in the future but three weeks from now, because as soon as we adopt the treaty we thereby declare that we are two sovereign republics and that we respect each other's sovereignty.

[Kafka] Last week the Czech Republic Government considered ways of separating coupon privatization in the Czech Republic from coupon privatization in Slovakia, should the worst come to the worst. In this connection one spoke about the possibility of confirming the validity of Czech shares by means of duty stamps. What do you think about this?

[Carnogursky] I believe that it would be reasonable if certain limits [ohraniceni] were adopted by the Czech Republic and Slovak Republic governments in this regard. It would be bad if we were to deal with the authentication of the two republics' shares only at the moment of the federation's breakup. At that point we would actually be nationalizing property belonging to

citizens of other states. It is still possible to carry out these things now when the first wave of coupon privatization is only beginning....

[Kafka] Many politicians claim that it would be better to deal with the issue of constitutional setup only after the elections. Do you share this view?

[Carnogursky] No. The question is whether the political scene will become clearer or more complicated after the elections. I think that the second alternative is more likely. I therefore believe that it would be better to resolve the constitutional problems now.

Dubcek Denies Knowledge of Meciar StB Allegations

AU2502125992 Prague CSTK in English 1747 GMT 23 Feb 92

[Text] Bratislava Feb 23 (CSTK)—Alexander Dubcek, the chairman of the Czechoslovak parliament, today said that in his view a majority of deputies stand for the Czechoslovak Federation. In his regular interview with CSTK, Dubcek supported his optimism with the fact, that only three votes in the Slovak part of the parliament's House of Nations were missing for amendments to the federal constitution to be approved last week. On February 18, these three votes decided about the rejection of amendments to three sections of the constitution newly arranging relations between the president of the Republic, the parliament and the government.

Dubcek said that in spite of the rejection of the three amendments he considers the results encouraging. Commenting on allegations by Czech dailies that Vladimir Meciar, the chairman of the Movement for a Democratic Slovakia, might have been an agent of the former secret police (StB) shadowing Dubcek before November 1989, Dubcek said he had not known or met Meciar before 1990. He resolutely rejected the possibility that he might throw light on the whole affair.

IAEA Team Inspects Temelin Nuclear Power Plant

LD2102212792 Prague Stanice Ceskoslovensko Radio Network in Czech 1400 GMT 21 Feb 92

[Report by correspondent Jiri Jisa]

[Text] A four-member team comprising specialists from Italy, Britain, and from the International Atomic Energy Agency [IAEA] spent the whole week checking the implementation of the conclusions made by the IAEA mission after it carried out an inspection at Temelin nuclear power plant construction site in April and May last year. The team assessed the implementation of individual recommendations and suggestions and noted that some of them have already been carried out. The team also recommended speeding up decisions on contracts for new measuring and regulation systems and on ensuring [words indistinct] fuel. The cooperation between the IAEA and the management of Temelin power plant will continue also this year.

Spokesman Rejects Romanian Charges in Briefing

LD2502134892 Budapest Kossuth Radio Network in Hungarian 1100 GMT 25 Feb 92

[Report by correspondent Istvan Kulcsar on Foreign Ministry briefing by Spokesman Janos Herman in Budapest on 25 February]

[Text] First, the spokesman announced the official visit to Hungary by Portugese Prime Minister Anibal Cavaco Silva this weekend. Then he said that a trilateral Hungarian-Croatian-UN meeting will be held in Budapest this week, too, where the possibilities of the return of Croatian refugees will be examined.

Janos Herman informed journalists about the note the Romanian ambassador to Budapest handed the Hungarian Foreign Ministry yesterday in which previous charges were repeated. The spokesman found it necessary to reiterate the Hungarian stance that Hungary has no territorial claims against anyone, but at the same time, acts in favor of protecting the rights of all national minorities.

Following a correspondent's question, the spokesman replied that the Israeli Embassy in Budapest lodged a protest with the president of Hungarian television about an Israeli report broadcast on the "Panorama" program, and it also sent a copy of the protest letter to the Hungarian Foreign Ministry.

The spokesman hinted a few minutes ago, after the press briefing, that according to a report received from the Hungarian Embassy in Belgrade at 1122, the representative tried to gather information about Vujic Ztrdko, a correspondent, and his two collegues who were beaten in Novi Sad. The Vojvodina Interior Ministry and the Novi Sad police headquarters said they did not know about the affair, but they will investigate further.

Notes 'Harsh' Interpretations

LD2502154592 Budapest MTI in English 1345 GMT 25 Feb 92

[Text] Budapest, February 25 (MTI)—Considering Romania's "unfounded, harsh, and threatening" recent interpretations of two Hungarian politicians' statements, Hungary's realistic and well-meaning foreign policies go unheard in Romania, a Foreign Ministry spokesman said today.

Romania interpreted a statement of Defence Minister Lajos Fur in Miskolc on February 14 and a MAGYAR HIRLAP interview on the same day with Geza Entz, state secretary for minority affairs, as reflecting territorial desires.

Characterising Hungary's security policy, Fur said: "The defence of all Hungarians is inseparable from the defence of the Hungarian nation." Entz was criticized for saying, "ethnic Hungarians beyond the border form an integral part of the Hungarian nation."

Romania intentionally misinterpreted the statements and unjustly accused the politicians, the spokesman Janos Herman said. He added that the Romanian ambassador in Budapest's memorandum to the Foreign Ministry on February 24 repeated the charges even more emphatically.

Hungarian diplomatic leaders confirm that Hungary has no territorial claims. As a signatory to the Helsinki Final Act, Hungary respects existing borders. However, Herman said, it also consistently defends the rights of all national minorities, including Hungarians' at all international forums.

Herman said the statement Romania's parliament approved concerning Bukovina, a part of the Ukraine, challenged the validity of the 1947 peace treaty. All this creates an impression Romania seeks to conceal its own endeavours with the accusation.

Herman recalled some promising signs have appeared in Hungarian-Romanian relations. There were talks on the two countries, general agreement and a parliamentary delegation is currently staying in Bucharest. This weekend Defence Minister Lajos Fur will go to Bucharest for talks with his Romanian counterpart on confidence-building measures.

In this situation, Herman said, it is hard to understand an interest in spoiling relations through accusations and slanders made in a threatening tone contrary to European standards.

Minister Outlines Policy on Bos Dam Agreement

LD2602092592 Budapest Kossuth Radio Network in Hungarian 0953 GMT 25 Feb 92

[Speech by Minister Without Portfolio Ferenc Madl at a National Assembly session in Budapest—live]

[Text] [Speaker Gyorgy Szabad] My fellow deputies, yesterday under No. 5058, we received a draft National Assembly resolution concerning the 1977 Hungarian-Czechoslovak agreement on the construction and operation of the Bos-Nagymaros water barrage system. The government has requested that it be submitted and put to an urgent debate. I hand over to Mr. Minister, Ferenc Madl.

[Madl] Esteemed Mr. Speaker, esteemed National Assembly, on 11 February I briefed the National Assembly, on the government's behalf, about the situation that has evolved in the matter of the Danube water barrage. I also informed the House that after consultations with the three competent committees of the National Assembly the government would prepare and take a stance and submit it to parliament for approval.

The consultation with the three committees has taken place. This was also taken into consideration when the government formed its position. I would like to outline its essence briefly.

According to this position—and it is on this that the government requests the National Assembly's stance... according to this, the Hungarian Government turns to the government of the Czechoslovak, the Czech and Slovak Republic, lays down and expounds its standpoint regarding the fact that the decision, the unilateral CSFR Government decision and the operations that are proceeding in accordance with it, the operations of a unilateral nature leading to the diversion of the Danube, on the one hand advance an ecological threat, and on the other represent a violation of international law, an infringement of international agreements relating to the status of the Danube, and a violation of Hungary's territorial integrity.

It is a question of operations which naturally do not figure in the 1977 agreement. They have nothing to do with it. Further, it can be established that with this conduct the Czechoslovak Government has regrettably made questionable, has question marked, the validity of the 1977 agreement.

The Hungarian Government even so does not think that the agreement has to be immediately abrogated. It starts out from the premise that the value of good-neighborly relations and a negotiated solution in accordance with the norms of international law are what serve the interests of the two sides and the interest of the matter.

In addition, it is also very important that the Hungarian stance not be used, in a kind of peculiar reinterpretation, to perhaps incite national conflicts. With regard to these things the government is once again turning to the Czechoslovak Government, asking it to ponder what we have jointly decided. In fact, as a result of the trilateral examinations agreement, the interstate legal dispute will be resolved in a joint decision. However, this also means that until the conclusion of this examination the other side should refrain from unilateral steps, which are unfortunately in progress.

If the Czechoslovak side totally rejects this Hungarian intention, this Hungarian proposal, this Hungarian Government request, then the Hungarian Government in order to safeguard the drinking water of millions of people, in order to protect its environment, in order to defend international norms, in order to defend the status of the Danube, will have no option but to abrogate the treaty.

Since it is a question not only of a Hungarian and Czechoslovak matter, since interests are involved here in the middle of Europe that do not desire a new source of tension to emerge, but on the contrary that these states should resolve this issue as well, among others, in the framework of their own very active cooperation, which they have begun, and since it is a question of a European matter, the Hungarian Government will simultaneously turn to the government of every CSCE member state, the various competent international organizations, including the International Danube Commission, the United Nations, the European Economic Commission, and the Council of Europe, asking them to approach the Czechoslovak Government with the request that it accept this trilateral agreement and, as a result of that, settle the interstate dispute by joint agreement. This is what we consider a European solution, and I trust that we will obtain support for this from the aforementioned governments and international organizations.

This is the government's stance. It is for this that it requests the National Assembly's position. Thank you very much. [applause]

[Szabad] Thank you. We will now vote. I therefore ask the National Assembly if it wishes to put to urgent debate the submitted draft resolution. Please vote now. Thank you. The National Assembly has decided in favor of putting the draft resolution to an urgent debate with seven state secretarial votes, 204 votes in favor, one abstention.

Cultural Committee Leader Examines Media Law

AU2102133892 Budapest NEPSZABADSAG in Hungarian 18 Feb 92 pp 1,7

[Interview with Ferenc Kulin, leader of the National Assembly Cultural Committee and deputy of the Hungarian Democratic Forum, by Katalin Bossanyi and Lajos Pogonyi; place and date not given: "Ferenc Kulin Is Pessimistic"]

[Excerpts] [passage omitted] [NEPSZABADSAG] Let us start by recalling what you actually agreed on in the infamous pact regarding the media?

[Kulin] Decision by consensus was the essence of the agreement. In legislation we separately emphasized four areas, namely the order of appointing the public media leaders, the commercial television licensing methods, the regulation of the television and radio supervisory committee, and antimonopoly provisions. The text of the pact says that a two-thirds majority is only needed when passing laws on these issues. The debate is over the "only" now.

[NEPSZABADSAG] According to the Constitution, the media laws require a two-thirds majority!

[Kulin] We used the pact as a basis when we modified the Constitution, but the two-thirds rule only applies to these four areas. The regulation of public media is a much broader subject and a simple majority is enough to pass those acts.

[NEPSZABADSAG] However, this is what the opposition does not accept. Let us see, though, where the views coincide and where they can come closer together?

[Kulin] The press subcommittee has already managed to agree that the most expedient way of operating the public media is through a public foundation. However, it is not quite clear yet to what extent this financing method would remove the burden from the budget. Views have

come closer on the structure of supervisory committees. The licensing system of commercial radio and television stations is still a sensitive issue. The government parties insist that this be done by a body controlled by state administration, while the opposition would prefer licensing to be supervised by the parliament.

[NEPSZABADSAG] This is quite logical because independence could be guaranteed this way.

[Kulin] Your question is misleading because independence depends on legal regulations and not on supervision. We also hold the view that public media should be independent of party interests, in fact, we would also like to extend this to the commercial media. The most suitable contestants have to be selected and neutrality has to be ensured here, too. We suggest that a state administration body decide on issues that relate to frequency allocation. These are direct economic interests.

[NEPSZABADSAG] Therefore, they are not political interests?

[Kulin] Not directly. Opening the advertising market is an economic and not a political question.

[NEPSZABADSAG] Nevertheless, the influence on sponsors also raises political problems, because in a semi-market economy, politics strongly influences the participants in the market.

[Kulin] The sponsors' activity is strictly regulated by the upcoming media law. Foreign investors will be the majority owners of commercial radio and television stations. I do not believe that they will be guided by political motivations in place of economic considerations.

[NEPSZABADSAG] According to many people, the battle surrounding the media law is part of the election campaign.

[Kulin] If it is true that there is a campaign already, it was certainly not preplanned. The government's intention is to make the radio and the television independent.

[NEPSZABADSAG] Why and of whom?

[Kulin] Because some of the radio programs are explicitly anti-governemnt.

[NEPSZABADSAG] It appears to us that the government has already made attempts to subjugate the media.

[Kulin] No. Hungary does not yet have a bipolar power system in which public opinion swings fairly steadily according to political conflicts. If the Hungarian Democratic Forum [MDF] and the Alliance of Free Democrats [SZDSZ] depict themselves as the two poles, that would definitely create dislike and resistance in the forces inside and outside parliament. Editors cannot yet be trusted to decide who form these two poles of power. In my view, if this were to happen, it would have an bad effect on Hungarian domestic political developments. In theory, giving equal time to all parties would be a fair solution, but this would lead to chaos. Therefore, the only feasible way seems to be neutrality.

[NEPSZABADSAG] Let us talk about the television as it has a great influence on the masses. The decisive news programs are already dominated by the MDF. It is reasonable that this one-sidedness may irritate the opposition and the viewers.

[Kulin] I can understand the opposition politicians if they are taken aback by certain openly pro-government statements on these news programs. I believe the idea of neutrality is more acceptable for the media, the government parties, and the opposition, too.

[NEPSZABADSAG] To what extent is this your private opinion? The hard core of the MDF is voicing a completely different view.

[Kulin] It is well-known that there are rather different ideas on the media in the MDF, and the more radical trend was strengthened in the presidium. I do understand these feelings, but I see no other way to settle this issue than by what is laid down in the Constitution. The cultural committee that I lead and the majority of the MDF have the same views. [passage omitted]

[NEPSZABADSAG] The biggest charge of the opposition is that you have broken the agreement. You intend to apply the two-thirds rule to the unimportant aspects of the media law while leaving the important issues to "your own circles." Is the accusation true?

[Kulin] Many people have said many times that the pact does not exist anymore. Whether the SZDSZ or the MDF said this first is irrelevant. The important question is what is still valid in the pact. The SZDSZ members are convinced that, through modifying the Constitution, the pact itself was given the force of law. This is a mistake because they believe that intentions can be legally registered. Both decisions of the Constitutional Court made it clear that the law cannot do anything with a wish or intention to achieve agreement in the future. The law can only register principles that can be sanctioned if they are not complied with. However, the fact that, contrary to the spirit of the pact one or two years ago, political cooperation between the SZDSZ and the MDF has not materialized, cannot be sanctioned.

[NEPSZABADSAG] In the past few weeks, you have been "firing" at each other on this issue. In fact, it could also be heard in government circles that a valid political agreement no longer exists and, for this reason, the government could, if it wanted to, allocate the frequencies itself, without any legal authorization. This seems like a rigid power attitude.

[Kulin] However hostile it may seem, we have to consider the clear legal situation. It is a fact that, when legislating on the media, the government has greater opportunities than the opposition. The law cannot allow

public and commercial television to be left unregulated just because a political agreement failed to materialize. Therefore, the law allows another chance for the government of the day to regulate this issue. [passage omitted]

Border Guard Commander Explains Recent Measures

AU2402092292 Budapest MAGYAR HIRLAP in Hungarian 18 Feb 92 p 9

[Interview with Balazs Novak, commander of the Interior Ministry Border Guard, by Karoly Lencses; place and date not given: "Open Borders but Increasing Rigor"]

[Excerpt] [passage omitted] [Lencses] An exhibition is being opened entitled "Open Borders" and, at the same time, Interior Minister Peter Boross announces that new measures can be expected at our eastern border. In place of the Iron Curtain, will a line of border guards enclose the developed regions of the continent?

[Novaky] There is no contradiction here. Our country is open to all travelers with good intentions, but no one can enter if he does not have the necessary means to stay here. No country in the world allows that. However, the emphasis has indeed changed, which has some outward signs, but hopefully, the good-intentioned travelers will not notice much of this.

[Lencses] Is this in spite of the fact that since November 1991 you have been asking visitors their destination, length of stay, and how much money they have?

[Novaky] When you let someone enter your home you should know who this person is. We have to realize—and this is also proved by the first month of 1992—that Hungary has become one of the transit countries for people in search of better living. A migration has started that makes the whole of Europe reconsider the conditions for receiving foreigners and the way the borders should be guarded.

[Lencses] What does the minister's announcement mean in practice?

[Novaky] We are to strengthen the open borders, mainly in the eastern part of the country. In 1991, we caught more than 200 people aiding illegal immigrants and 9,000 illegal entrants, but it is already obvious that we can expect a larger "turnover" this year.

[Lencses] However, the experience at the Austrian border is that most people going toward the West came to Hungary legally. Should this area be improved?

[Novaky] Indeed, most of the 15,000 people caught at the Austrian border arrived with passports. Nevertheless, it is a more important task to stop illegal entry, and this can be expected at the Romanian border.

[Lencses] What can you achieve with less than 1,000 border guards at the 300-kilometer long border?

[Novaky] It is not an easy task, but just looking at the numbers, we get a misleading picture—guarding the border has its own professional techniques. Our results are not bad, either, because we caught at least 80 percent of the border violators. The police and the local population also help us.

[Lencses] Does this mean that the signs saying "Border Town" have not been left on the roads by accident?

[Novaky] The citizens realize that it is in their interest to have order at the borders because the foreigners also often attempt crimes. These signs and titles are not forced on the towns from above. Only two out of the 200 local governments decided to remove these signs, but even they did not deny the importance of cooperation.

[Lencses] You are planning to set up 23 border guard action companies. What will be the tasks of these units?

[Novaky] In 1989, the government decided that a professional border guard should be set up by 1995. However, events dictate differently because the planned numbers would be too little during this wave of migration. The defense concept that also gives tasks to the border guard, which is the force that we can mobilize, has also changed. To start with, we set up six units along the southern border, and we will set up new units in those areas where conscripts do not serve anymore.

[Lencses] When the officials decided on stricter measures in 1991, they said that these could be expected everywhere. However, everyone knew what they really meant. Then Romania did make some steps because they do not allow all Hungarians to enter their country....

[Novaky] It is a sovereign right to decide the conditions of entry. It is also a kind of self-defense. Our decision affects the citizens of all countries, and we enforce it at all the crossing points. As a matter of fact, only about 0.1 percent of Hungarians are refused entry at the Romanian border, which is not more than before.

[Lencses] Nevertheless, our relations are not unclouded. Our Interior Ministry has sent a number of letters to the Romanian officials regarding a deportation agreement similar to the one Austria is urging, but no reply has been received.

[Novaky] We do have an agreement with the Romanian Government, and accordingly, people captured near the border are readmitted by the other side. There is no doubt, though, that new agreements are needed to reflect the changed circumstances, and these agreements should, as far as possible, be made in a similar spirit everywhere. I am not qualified to make a statement on this subject, so I can only say that the Romanians also signed the final communique of the conference on migration in Berlin, which indicates their intentions, but this also obligates all sides. There are no serious differences of opinion in the relations of the border guards of these two countries. [passage omitted]

Walesa Denies Desire To Dissolve Parliament

LD2502204992 Warsaw TVP Television Network in Polish 1830 GMT 25 Feb 92

[Wales remarks recorded]

[Text] Lech Walesa has appealed for deputies to subserve group interests and party rivalry to the supreme good of the state.

Lech Walesa was today the guest of the Convention of Elders at the Sejm. In the course of a 90-minute meeting, Lech Walesa appealed to deputies to accept his candidate for the chair of the Polish National Bank, at the same time gave assurances that he is not directed by any group or party interest. The president also declared his assistance for parliament in sketching out the legal shape of the Third Republic.

[Walesa] One cannot bring about a situation that no longer passes the test in the world. This applies to excessive parliamentarianism that limits the activity of the government and its effectiveness. You cannot have the dominant role in everything. You exist for great matters and not for executive ones; at the same time you should facilitate effectiveness.

[Announcer] At a press conference, the president was asked whether Hanna Gronkiewicz-Waltz is the best candidate for the chairmanship of the Bank.

[Walesa] I do think in terms of whether she is the best, only that the situation, an awareness of the facts, and necessity tell us that in every game there are some unknowns. It seems to me that that which I axed is correct and we will see, time will resolve this issue.

[Announcer] Lech Walesa contradicted the information appearing in the press that he wishes to dissolve parliament.

[Walesa] Nowhere have I expressed the desire to dissolve Parliament. Everywhere I say, pray God not! And if I were to take such a step, if such a step were necessary, then we would be speaking with Parliament, with the speakers, with the government, and we would select the best concept conceivable. Thus, we are not dealing with imposition, dictatorship, or desire.

[Announcer] Both members of the Convention of Elders and journalists were interested in the president's opinions about the government's economic plans.

[Walesa] If I were prime minister, I would write in a few components, and so lighten reprivatization, a great privatization, and a hundred million, but now times 10—that is probably, and so more, a billion. A billion, yes, I would write in that every Pole can borrow money for the purpose of certain components in the economy, and will return it in 20 years time. That which does not bring benefit to the state must be sold as quickly as possible, and society already knows what to do with it, and will surely do good business. [as heard]

[Announcer] After the deliberations of the Convention of Elders, Sejm Speaker Wieslaw Chrzanowski informed journalists that the Sejm will consider the candidature of Hanna Gronkiewicz-Waltz for the chairmanship of the Polish National Bank at the earliest opportunity.

Walesa Urges Support for Bank President Candidate

LD2602024492 Warsaw PAP in English 0015 GMT 26 Feb 92

[Text] Warsaw, Feb. 25—President Lech Walesa called on the convention of seniors, grouping Sejm (lower house) and Senate speakers as well as leaders of parliamentary floor groups, on Tuesday [25 February] to support his candidate, Hanna Gronkiewicz-Waltz, for the post of president of the National Bank of Poland (NBP). According to Walesa support for his candidate would be viewed as a signal that "president and Parliament understand each other, that they are able to reach compromise and build Poland together." Deputies had already rejected once the candidature of Ms. Gronkiewicz-Waltz, a specialist in banking law, in December saying she lacked practical banking experience. The post of NBP president has been vacant since August when Grzegorz Wojtowicz was dismissed for his alleged negligence in a major banking scandal.

Commenting on the recent press reports on the possibility of dissolving the Parliament, President Walesa firmly denied he had any such intentions. "I would be the last to want this Parliament to fail to play a historic role and waste the chance it has," he stated. Also Sejm Speaker Wieslaw Chrzanowski confirmed that the president wanted this Parliament to survive as long as possible. "Press reports quoting the (president's) statement (for the NOWY SWIAT daily on Monday [24 February]) without a broader context might create an impression contrary to intentions," Chrzanowski said.

Asked for comment on the guidelines of the government socioeconomic policy, Lech Walesa said he would add some elements to it, listing among them a fast reprivatisation and the possibility of a one billion zloty (77 thousand dollar) loan for each citizen to be used for economic activity. According to the president the government should be given special powers in such spheres as privatisation, reprivatisation and national security.

Walesa Rejects Reagan-Pope 'Holy Alliance' Report

AU2402133092 Warsaw RZECZPOSPOLITA in Polish 20 Feb 92 p 2

[Text] PAP—In an interview for the Italian L'ESPRESSO, President Lech Walesa rejected as "absolute nonsense" revelations in TIME weekly about a "holy alliance" between the pope and former U.S. President Ronald Reagan to support Solidarity and overthrow communism in Poland.

Replying on Wednesday, 19 February, to a question from an Italian reporter whether it was true that Solidarity had received funds from the CIA, Lech Walesa replied: "That is absolute nonsense. Facts have been mixed up with stupidity. Everyone knows that the Yalta accord was unfortunate and bad; everyone also knows that those mistakes have to be erased somehow; everyone knows that the pope, who was born in this country, lived with these wrongs and did not like them; and everyone knows Reagan does not like communism. But to talk about a plot—now that is going too far." The president described TIME's way of reporting facts as "misinterpretation."

Olszewski Meets Parliamentary Floor Group Leaders

LD2402191192 Warsaw Radio Warszawa Network in Polish 1400 GMT 24 Feb 92

[Text] Prime Minister Jan Olszewski is meeting today members of the presidiums of the parliamentary floor groups to discuss socioeconomic policy proposals for 1992, which will be debated by the Sejm on Wednesday [26 February]. Members of the Center Alliance parliamentary floor group underscored the need to widen the parliamentary base of the government with groups originating from Solidarity. They let it be known that they will vote for the government proposals in the Sejm.

Leszek Moczulski, chairman of the Confederation for Independent Poland [KPN], said after meeting with Prime Minister Jan Olszewski that he is satisfied with the general direction of the socioeconomic policy for 1992. However, he did not give a clear answer to whether the KPN will support the proposals during the voting in the Sejm.

Waldemar Pawlak, chairman of the Polish Peasant Party [PSL] parliamentary floor group, underscored the PSL approval of the basic goals of the economic program. At the same time, he said that the PSL parliamentarians have doubts about some solutions concerning agricultural, tariffs, taxation, fiscal, and privatization policy.

Olszewski Presents Socioeconomic Proposals to Sejm

LD2602111892 Warsaw PAP in English 1029 GMT 26 Feb 92

[Text] Warsaw, Feb. 26—Prime Minister Jan Olszewski presented the government's socioeconomic proposals for 1992 to the Sejm on Wednesday [26 February] morning saying that they were an "attempt at a rescue manoeuvre and to halt the destructive process in the economy".

The prime minister said that the authors of the programme had always stood and would always stand on the ground of continuing the reforms by the surest and quickest route, in the direction of building a Polish free market and a democratic system. He stressed that these two elements were inseparably intertwined and that Poland would not be able to join the European Community if democracy collapsed in this country.

Olszewski stressed that the programme would be put into effect in very difficult circumstances. There is not much room for manoeuvre, with the threat of, on the one hand, parts of the economy dying out and, on the other, hyperinflation. The programme must not just be accepted but must have active support—both political in the Sejm and social outside it, said the prime minister.

Christian National Union Supports Government Plan

LD2602034292 Warsaw PAP in English 0019 GMT 26 Feb 92

[Text] Warsaw, Feb. 25—The Christian National Union (ZChN) will give its backing to the government's socioeconomic programme, Sejm Speaker and ZChN leader Wieslaw Chrzanowski announced after Tuesday's [25 February] meeting between Prime Minister Jan Olszewski and ZChN MPs [member of parliament]. Government spokesman Marcin Gugulski told journalists that the prime minister expressed the opinion that the government, as always, can count on ZChN parliamentary club's support for the programme at the Sejm (lower house). When asked about broadening the government coalition, Chrzanowski said that ZChN shares the prime minister's opinion that before you can speak about expanding the coalition you have first to define the economic programme and the budget.

Sejm To Reexamine Draft Law on Constitution

LD2502212492 Warsaw PAP in English 1814 GMT 25 Feb 92

[Text] Warsaw, Feb. 25—The Sejm's (lower house) Legislative Committee resolved Tuesday [25 February] to reexamine the draft law on the formulation and adoption of the constitution, following the motion to the effect from President Lech Walesa.

The president has objected to the decision to grant legislative initiative concerning the matter of the constitution to the Sejm's Constitutional Committee exclusively, arguing in his letter to the Sejm Speaker Wieslaw Chrzanowski that "bodies from outside the parliament should also have an influence on the shape of this legal act of fundamental importance for the nation and the state".

According to Walesa it is the president and not the National Assembly (Sejm and Senate) who should decide on matters connected with a possible referendum concerning the constitution. The president should have the possibility of putting the constitution to a referendum before signing it or of selectively vetoing some of the constitution's provisions to avoid a renewed voting on the whole document, he stressed. The president has also asked the Sejm to consider whether it would not be worthwhile to "allow society to participate in the process of formulating the constitution earlier than at the stage of a referendum."

Having heard the president's letter and opinions of experts on the issue the Sejm's Legislative Committee decided to annul the results of the vote on the draft of a constitutional law adopted earlier and to prepare a new one, taking into account all the submitted opinions.

Solidarity Rejects Walesa's Mediation Attempt

LD2602023692 Warsaw PAP in English 0027 GMT 26 Feb 92

[Text] Gdansk, Feb. 25—The Presidium of the Solidarity trade union on Tuesday [25 February] termed President Lech Walesa's intention to act as a mediator for the Solidarity and the OPZZ (All-Poland Alliance of Trade Union) as "pointless." At its meeting in the seaside city of Gdansk the Presidium said the president made his declaration without consulting the Union. While assessing Walesa's meeting with the OPZZ last week, Solidarity leaders stated that the president's remarks about the role of OPZZ do not correspond with the Solidarity's opinion on the matter. Above all, the Presidium blamed the OPZZ for serving the former communist regime as an instrument to fight Solidarity and suppress union and employee rights. "I would not hold any talks with OPZZ as long as I am the Solidarity leader and as long as OPZZ remains such as it is now," Marian Krzaklewski told newsmen.

Privatization Minister Outlines New Plans

AU2402060092 Warsaw RZECZPOSPOLITA and Economy and Law Section in Polish 17 Feb 92 pp 1, 2

[Interview with Tomasz Gruszecki, head of the Office of Ownership Transformation, by Ada Kostrz-Kostecka; place and date not given: "The Same Direction, Different Methods"]

[Text] [Kostrz-Kostecka] Minister, what is going to happen on the privatization front: Are you going to continue with the existing program, or are you going to start everything from scratch?

[Gruszecki] There will, of course, be elements of continuity, the general privatization program, a great achievement, to mention just one. The two basic routes, through capital or liquidation, will undoubtedly remain. However, the point is that we should move away from viewing each case on an individual basis and develop a common approach. That is important, because introducing some uniformity makes it easier to make decisions and to make them more quickly. Second, privatization is still being carried out at the ministry level, that is, by bureaucratic structures, but officials will always be afraid to make decisions concerning complicated situations and currently, with the economic recession, the number of such situations is continually increasing.

[Kostrz-Kostecka] Which privatization "routes" are you going to discontinue?

[Gruszecki] Every stage of privatization has its own organizational structures to ensure a minimum degree of efficiency, and things took shape two years ago. Previously, there was a small group of people organized in a team under the first plenipotentiary for privatization, and that was the very first experimental road to privatizing the first enterprises. Minister Lewandowski went beyond the ministry's original structure and created regional agencies, that is to say, the privatization process was partially decentralized. Much more was achieved in 1991 than in 1990, but I think that the upper limit has been reached. That is why I am trying to propose a new structure, which will separate two functions, that is, decisions of a strategic nature, what should and should not be privatized on the one hand, and the actual privatization process on the the other had, valuations, offers, negotiations, what already are the "workings" privatization.

[Kostrz-Kostecka] That is what you place first in setting out your ideas on privatization. When can we expect those institutions to be formed?

[Gruszecki] I think that they should already begin to function in the second half of this year. As for the concept itself, that should be completed during the coming quarter.

[Kostrz-Kostecka] What will these two institutions look like?

[Gruszecki] The first will be a commercial agency and will not have a monopoly, because, as you can imagine, I will also be entrusting other organizations with privatization tasks. All I am concerned about is that the agency should group together all those people who cannot and should not be employed as public officials, because that is not what they want to be be, but as highly qualified specialists in conducting valuations and in proposing various possible solutions. The ministry would direct issues to the agency, and it would have the authority to conclude transactions, and the ministry, as the owner, would only stipulate certain limits relating to, for example, a minimum price, payment in installments, a foreign capital stake, or maintaining employment at a certain level. The legal form that the agency will have is fairly clear, but as usual, it is the details that are a problem, financial details in this case, because, for example, the very creation of a company owned by the State Treasury will require initial share capital. Perhaps it will be necessary to allocate funds out of the ministry's budget for the typical privatization procedures and strategic, decision-making studies, that is, studies of various sectors of the economy. The second issue is the creation of an entire regional network of agencies, to be precise, commercial economic agencies that would make assets liquid under the privatization through liquidation procedure and would administer assets. These agencies could be created fairly quickly, even by way of transforming existing economic entities.

[Kostrz-Kostecka] So, those are the two levels of the "workings" of privatization. What about the institution that would represent the interests of the State Treasury—that is, the legal owner?

[Gruszecki] That would be the privatization ministry, which would make decisions on selling and would grant plenipotentiary powers.

[Kostrz-Kostecka] Would it be combined with the industry ministry?

[Gruszecki] We are considering two possibilities. The first is the creation of single ministry of the economy, which would include the Central Planning Administration, the Ministry of Foreign Economic Cooperation, the Ministry of Industry, the Ministry of Ownership Transformation, and, I am not sure about this yet, transportation and communication, because some people tell me that a special policy has to be pursued in these areas. It would contain a division dealing with privatization policy that would be headed by a secretary of state or an undersecretary of state. The model would be clear, if the ministry were already in existence, but as work is still in progress on the concept and there are many privatization decisions to be made, a separate structure is needed, one that I would call the "uncompromising ministry of ownership transformation," which would translate economic policy into privatization policy and make decisions.

[Text] [Kostrz-Kostecka] Would the ministry have a wider or narrower function that the existing one?

[Gruszecki] A narrower one, because the specialists for the implementation of privatization procedures would leave it.

[Kostrz-Kostecka] Would it be an organization that would exist for a transitional period, until a ministry of the economy is created?

[Gruszecki] That is something that the government has not discussed yet, so it is hard for me to say, but it has to exist if we want to speed up privatization this year. In the future, when there are fewer privatizations to carry out, it could be incorporated into the ministry of the economy. At the moment, it would just draw out the decision-making process.

[Kostrz-Kostecka] Liquidation has been considered the most efficient method of privatization, but, at the same time, a lot of faults have arisen. What is going to happen next with this form of privatization?

[Gruszecki] It is a form of privatization that has proved itself in practice, especially when entire enterprises can be sold off. I particularly want to concentrate on developing this form of privatization this year, and I am planning to create the uniform procedures that I talked about earlier. I also believe that there is a need to change certain provisions of the Privatization Law, for example, a clearly defined requirement that parent bodies must submit us texts of the agreements that they have concluded so that information on what the state has sold and on what terms is contained in one place. There has to be a clear-cut separation of the powers of the privatization ministry and of parent bodies.

[Kostrz-Kostecka] So, both the foundations of the liquidation procedure, the law on state enterprises and the Privatization Law will remain in force?

[Gruszecki] I am not responsible for the law on state enterprises, but I think that some work will definitely have to be done on it, because the model of the enterprise that it provides is a blind alley. As all enterprises cannot be made to operate on commercial lines overnight, a model of the enterprise has to exist, but it cannot be the body with three heads that it is at present, that is, the director, the employee council, and the trade unions. Strict supervision by the owners, that is, the state treasury has to be introduced.

[Kostrz-Kostecka] Are the changes intended to provide a safeguard against faults in liquidation procedures?

[Gruszecki] I am not talking about flaws, because they exist everywhere. The basic problem is that we have an enormous number of individual cases, when sales by tender have to be withdrawn or a lower price has to be agreed because there is only one buyer, or an employee company has to be combined with a group of investors.

[Kostrz-Kostecka] In some quarters it is believed that true or alleged cause of much of the trouble is the presence of foreign consultancy agencies. Will we employ them less often? For a long time now, the ministry of industry has been saying that we have specialists in our country who are not being used, people who understand industry and could at least conduct the first of various studies of different sectors of the economy.

[Gruszecki] I agree with that. Western consultants are needed, and sometimes there is no one who can take their place, especially when a foreign investor is involved. The problem is a different one. The formation of a bureaucratic owner has resulted in a bureaucratic way of thinking: Why are we to worry about how much plants are worth and what should be done with them, we will employ a company. They have to be employed, but only once they can be given a concrete task. It is my duty as the owner to define what I want to do and not that of the company, irrespective of whether it is Polish or foreign. Tasks were not formulated, but foreign companies were hired and given unlimited opportunities to decide what to do. On the other had, regarding the distribution of tasks, I really see no point in employing a foreign company if what is being offered for sale is addressed to Polish buyers and will be settled in Poland. Similarly, I do not see any sense in employing them to examine the state of individual sectors of the economy. Unfortunately, Polish lawyers are now racking their brains about how to deal with loopholes that were the result of an agreement being immediately drawn up in

English, because the Anglo-Saxon legal system is not entirely compatible with ours, for example, it does not have the concept of perpetual usufruct.

[Kostrz-Kostecka] The financial condition of enterprises is continuing to deteriorate, and it is said that enterprises have to be restructured before they are privatized. Who should do that, and where should the money come from?

[Gruszecki] For the time being, we have to do that with some of the revenue that is obtained from privatization. That is why the government has already accepted the principle that we calculate the budget net of the revenue obtained from privatization. Part of that money must be used for restructuring. How that money is to be distributed is another matter. I would like that to be done through the banks, but not on a commercial basis. I already have something of an agreement with the Polish Development Bank, which would act as a kind sieve that would set tough selection requirements for companies. Perhaps it will be possible to create a kind of restructuring investment bank in the future.

[Kostrz-Kostecka] Privatization was supposed to generate enormous sums, but it has only yielded about 20 percent of the projected amount thus far. In Germany, privatization is producing a loss, at least for the present, and this year you want to raise the revenue obtained from privatization to between 7 and 10 trillion zlotys. Will not that not occur at the expense of the qualitative aspect of ownership transformation?

[Gruszecki] We cannot afford a loss-incurring privatization process. Revenue must increase, because there will be a greater number of transactions, the only point to be made is that our estimate—it included revenue from privatization through liquidation which flows into the budget directly from voivodship administrations—of 10 trillion zlotys might be a little too optimistic. The Finance Ministry's current projections of about 4 trillion zlotys are much lower. The main thing is that there should be certainty that a particular sum will enter the budget, even if it is lower.

[Kostrz-Kostecka] For the securities exchange to continue to develop there have to be further public share issues, but there are no new enterprises on the horizon.

[Gruszecki] We are working on new privatization projects, but at moment I cannot tell you which enterprises will be privatized in this way nor when.

Trade Unions See Cooperation as 'Promising'

LD2102094792 Warsaw PAP in English 2215 GMT 20 Feb 92

[Text] Szczecin, Feb. 20—At the Thursday [20 February] meeting with unionists, held in Szczecin (northwestern Poland), chairman of the All-Poland Alliance of Trade Unions (OPZZ) Ewa Spychalska labelled as "promising" the prime minister's announcement concerning the government's intention to expand consultations with the trade unions on vital issues of the country. According to Ewa Spychalska "certain activities" of Jan Olszewski's government are worth to be accepted, in particular those related to the possibility of lowering excessive wage tax and expanding exports.

However, she said, the greatest test for Poland stems from the growing unemployment and lack of prospects for reducing it for the privatization system implemented so far resulted to be harmful to Poland. Commenting on President Lech Walesa visit to the OPZZ announced for Friday [21 February], Ewa Spychalska opined that it would undoubtedly be an initiation of normalization between the authorities and the union.

Government Approves 1992 Budget Principles

LD2502193892 Warsaw PAP in English 1815 GMT 25 Feb 92

[Text] Warsaw, Feb. 25—The government at its meeting Tuesday [25 February] approved a draft stand on the principles of monetary policy as well as the general principles of the budget law for 1992. According to the government spokesman Marcin Gugulski a corrected version of the budget law is to be prepared by the finance minister. The candidate for the vacant post of finance minister is to be presented by Premier Jan Olszewski during a meeting of the Sejm (lower house) on Wednesay [26 February], Gugulski said.

Deputy Minister Details Budget

LD2602025392 Warsaw PAP in English 0006 GMT 26 Feb 92

[Text] Warsaw, Feb. 25—The Council of Ministers approved on Tuesday [25 February] general principles of the budget bill for the rest of this year and obliged the head of the Finance Ministry to work out a more detailed version of the draft.

Deputy Finance Minister Jerzy Zdrzalka told newsmen during a break in the debates the government had agreed on the crucial parametres in the bill. Maximum receipts till the end of 1992 are planned at the level of 340 trillion zlotys (26 billion dollars) while spending is estimated at over 400 trillion (30.1 billion dollars). The budget deficit must not exceed 60-65 trillion zlotys (4.5-5 billion dollars), that is 5 per cent of the national gross product, but if the needs of various sectors were to be met, spending would grow to 500 billion zlotys (38.5 billion dollars), Zdrzalka said. Therefore, the government has to seek new sources of revenues and economising, he added.

According to the official communique on the cabinet sitting, the government does not intend to increase tax liabilities of economic units as this would hinder overcoming recession, but sees a possibility to enhance receipts in their greater production and profitability, the improvement of tax system, and a stricter tax and customs control. The government does not think it

possible to increase spending on education, health protection and public safety in 1992 but deems it necessary that the means allocated to these sectors be used better.

In this connection Defence Minister Jan Parys told the cabinet he would not support "a programme which cuts spending on defence" and opted for giving priority to defence issues in the government policy. "To all, who think about the cost of the Army, about the cost of defence, I say that the cost of losing sovereignty is much greater. Therefore, I am for giving priority to defence in the government's policy. Our nation, if the need be, will accept moderate living standards, but it is important to make their living safe," Parys stated.

Also on Tuesday the government accepted guidelines of the monetary policy for 1992 worked out by the National Bank of Poland. It envisages the creation of money at a pace slightly higher than inflation rate in order to improve financial liquidity of enterprises. According to the plans the average level of prices in 1992 will be by 45 per cent higher than in 1991 while the inflation rate should gradually drop.

High Import Duties Kept If Farmers Threatened

LD2502153692 Warsaw PAP in English 2331 GMT 24 Feb 92

[Text] Warsaw, Feb. 24—High customs duties for imported farm produce and foodstuffs will be maintained, a Polish Agriculture Ministry official declared Monday [24 February] in Poznan. Addressing a peasant forum in that western Polish city director Kazimierz Porebski did not rule out the possibility of limiting imports of some goods if interests of Polish farmers are threatened.

The forum was organized by the private farmers Solidarity Union. Its participants learned that the general concept of fixing minimum prices for farm produce was approved by the government and the prices will be negotiated with the agromarket agency and trade unions. Meanwhile, the Ministry of Agriculture drafted an ordinance defining the principles of granting credits to farmers. The idea underlying the draft is to create a chance for cheaper credits.

Negotiations are conducted with the World Bank offering a chance to obtain means for the development of rural infrastructure, Porebski said. The agricultural property agency of the state Treasury will take over some 2,000 state farms over the period of two years to come.

Defense Minister Parys Opposes Planned Army Cuts

AU2502175592 Warsaw RZECZPOSPOLITA in Polish 22-23 Feb 92 p 2

['P.W.R' report: "Jan Parys: It Is Amateurish To Reduce the Army"]

[Text] "Army matters are of supreme importance to the president, prime minister, and me, and the three of us are in agreement on the subject of defense," said Defense Minister Jan Parys at a meeting with Warsaw Military District commanders. "The Army is the cornerstone of the state. You, gentlemen, represent the hopes of the independent republic. The tasks ahead of us are hard. We will give the Army as much as the state can afford."

The minister criticized Army policy so far, describing planned military reductions as "amateurish." "I have met people today who enjoy their service. The exercises have gone well, and I feel satisfied," he said, referring to his Friday [21 February] inspection of maneuvers by the First Mechanized Regiment in Orzysz, his first such inspection since assuming his post. These maneuvers involved T-72 tanks and BWP-2 infantry combat vehicles. That is the most modern equipment the Polish Army has.

"It is scandalous that military spending has fallen faster than the national income, and at a time when the dangers to Poland have not diminished at all," Parys said.

"We approve of your activities," said General Leon Komornicki, commander in chief of the Warsaw Military District, in a reply to the minister. The general pointed out that due to financial shortages, reservists, who comprise 70 percent of the Warsaw Military District's strength, had not received any training since July. "The effects of this are a danger to the republic," he said. "Please let reservist training resume."

"I am not saying goodbye, for I would like to come here as often as I can," Parys said in taking his leave.

Final Election Results From 10 Counties Announced

AU2602120592

[Editorial Report] Bucharest Radio Romania Network in Romanian at 0500 GMT on 26 February carries a 4-minute hook-up with the Central Electoral Commission from where radio correspondent Tudor Stanciu says that "protocols with the final results of runoff elections from 27 counties and Bucharest Municipality are yet to come in." Stanciu proceeds to give "the final results from Salaj County, where local elections concluded on 16 February." He says that "the mayoral mandates there were distributed as follows: 20 to the National Salvation Front [FSN], that is 34.48 percent; 11 to the Democratic Union of Hungarians in Romania [UDMR], that is 18.96 percent; 9 to the Romanian National Unity Party [PUNR], that is 15.51 percent; 5 to the Agrarian Democratic Party of Romania [PDAR], that is 8.62 percent; 2 to the Democratic Convention [CD], that is 3.44 percent; 1 to the Democratic Party of the Romanian Village Unity, that is 1.72 percent; 1 to the Romania Mare Party, that is 1.72 percent; 9 to independents, that is 15.51 percent."

Bucharest Radio Romania Network in Romanian at 1100 GMT on 26 February carries another hook-up with the Central Electoral Commission from where correspondent Tudor Stanciu announces that "protocols with official results of the 23 February second ballot from no less than 10 counties arrived here in the past three hours." He begins with Galati County, "where the second poll took place in 39 constituencies, with the mayoral mandates going to following candidates: 14 to FSN; 5 to PDAR; 6 to CD; 2 to the National Liberal Party [PNL]; 1 to the Democratic Left Union [USD], and 11 to independent candidates. Mr. Eugen Turbaca, USD candidate, was elected mayor in Galati Municipality."

In Olt County, "the second ballot took place last Sunday in 54 constituencies; mayors were elected in 52 constituencies, while a second ballot will be held in Slatina Municipality and Scornicesti on 1 March." The 52 mayoral mandates were distributed as follows: "27 to FSN; 7 to PDAR; 1 to PNL; 1 to the Romanian Ecologist Party [PER]; 1 to CD; and 15 to independent candidates." The correspondent adds that "new elections will be held in Farcasele Commune on 19 April."

In Mehedinti County, "mayors were elected in 29 out of 31 constituencies where elections were held on 23 February, as follows: 11 to FSN; 5 to PDAR; 4 to CD; 1 to the Movement of Czechs and Slovaks; and 8 to independents. In Drobeta-Turnu Severin Municipality and Baia de Arama, a second ballot will be held on 1 March."

In Covasna County, "elections were held last Sunday in 4 constituencies, with the mayoral mandates being distributed as follows: 3 to FSN and 1 to UDMR." Reporter Stanciu reminds listeners that "new elections will be held in Belint and Chelinta communes on 19 April."

In Arad County, "mayors were elected in all 43 constituencies where the electorate cast their votes on 23 February; the mayoral mandates were distributed as follows: 13 to FSN; 10 to CD; 6 to PDAR; 2 to the Ecological Movement of Romania [MER]; 1 to UDMR; 1 to the Democratic Forum of Germans in Romania; 10 to independents."

In Ialomita County, "the second ballot was held in 19 constituencies; mayoral mandates were distributed as follows: 14 to FSN; 1 to the National Liberal Party (young wing); 4 to independents." The reporters adds that the "mayor elected on 9 February in Andriesesti Commune was invalidated by Slobozia Court, hence new elections will be held there on 19 April."

In Vrancea County, "mayors were elected in 36 out of 37 constituencies—a second poll will be held in one constituency on 1 March—as follows: 20 to FSN; 7 to PDAR; 1 to the ecologists; 1 to PNL; and 1 independent."

In Brasov County, "the results in the 30 constituencies where the ballot was held last Sunday are as follows: 7 to CD; 6 to FSN; 6 to PDAR; 1 to the Traditional Social Democratic Party; 1 to the ecologists; and 9 to independents.

In Calarasi County, "the 28 mandates contested last Sunday, 23 February, were allocated as follows: 15 to FSN; 2 to PDAR; 1 to CD; 1 to the Republican Party; and 9 to independents."

Finally, in Arges County, "where voting proceeded in 53 constituencies, mayors were elected in 50 of them—a second ballot will be held in 3 constituencies on 9 March 1992—as follows: 23 to FSN; 3 to the Republican Party; 2 to CD; 2 to PDAR; and 20 to independents."

Political Allegiance of New Mayors Noted

AU2502215092 Bucharest ROMPRES in English 2039 GMT 25 Feb 92

[Text] Bucharest, ROMPRES, 25/2/1992—According to data supplied to ROMPRES by the Central Election Commission and by county prefectures the final results of the local polls for mayorships in county seats are as follows: the National Salvation Front won the mayor mandates in Pitesti, Oradea, Braila, Calarasi, Tirgoviste, Craiova, Piatra Neamt, Vaslui, Iasi, Focsani, Tirgu Jiu, Botosani, Slobozia, Rimnicu Vilcea and Tulcea; the Democratic Convention in Bacau, Alba Iulia, Arad, Brasov, Ploiesti, Timisoara, Constanta, Deva and Sibiu. The Romanian National Unity Party won in Buzau, Zalau, Cluj and Baia Mare. The Hungarian Democratic Union of Romania has mayors in Sfintu Gheorghe and Miercurea Ciuc. The Ecology Movement won in Bistrita and Suceava while independent candidates were preferred in Alexandria and Resita. In Galati the new mayor is the representative of the Democratic Left Union and in Satu Mare an independent backed by several political parties.

In Giurgiu, Slatina and Drobeta Turnu Severin the second ballot will be taken on March 1, while in Tirgu Mures new elections will be called on April 19.

Tirgu Mures, Sapinta Elections Set for 19 Apr

AU2502195992 Bucharest ROMPRES in English 1723 GMT 25 Feb 92

[Text] Bucharest, ROMPRES, 25/2/1992—The second round of local elections in the constituencies in which new elections were organized on February 23 (owing to the fact that on February 9 the turnout was lower than 50 per cent) will be held on March 1, 1992.

According to a government decision, in the constituencies were on February 9 there were no candidates for mayors, the local polls will take place on April 19. All legal terms concerning the course of the campaign and the candidates lists should be observed.

On April 19, too, local elections will be held in the municipality of Tirgu Mures and in the locality of Sapinta, Maramures County. In the case of Tirgu Mures, Judge Gheorghe Uglean, chairman of the Central Electoral Commission said, the mayor elect, Mr. Stefan Vasile Pokorny, an independent candidate supported by the Hungarian Democratic Union of Romania, retired after it had been proved that the supporter lists included several persons several times. As for the locality of Sapinta, it held elections for neither the local council nor the mayor.

Stolojan Discusses Trade Union Dispute, Elections

AU2602084792 Bucharest ROMANIA LIBERA in Romanian 18 Feb 92 pp 1, 3

["Exclusive" interview with Prime Minister Theodor Stolojan by Gilda Lazar, in Bucharest on 13 February: "If Some People Are Not Serious, I Cannot Be Like Them"]

[Text] [Lazar] There are two hot subjects right now: the negotiations on a collective labor contract and the elections. I understand that you are particularly interested in the first one. Why?

[Stolojan] For the time being things are rather unclear, because we worked out a law on the collective contract without actually knowing what that respective law means.

All of a sudden we realized that it was possible to conclude a national contract between employers and trade unions in a hurry, with a government representative from the Ministry of Labor acting as moderator.

[Lazar] Can you be more explicit?

[Stolojan] A contract was drawn up containing certain percentages, while nobody knows what to do with those percentages. No proper calculations were made, not even for the sake of curiosity. Therefore, I would rather not comment on those negotiations. I have just learned of the haste in which everything was done. The Ministry of Economy and Finance says that it did not see, hear, or know anything, which is inadmissible. There was also a lack of communication between experts. Of course, this is also a bad mark for me. I did not know, did not become involved, and did not find a solution.

[Lazar] What is this actually all about?

[Stolojan] The core of my dispute with the trade unions is that I can agree to create an environment that can facilitate competition, honesty, and correctness and I can agree to take measures whose significance for the economy I can exactly assess; however, I cannot agree to start negotiations on measures which the enterprises will not be able to implement when the time comes.

[Lazar] This means that the problem of the collective labor contract is not yet under control.

[Stolojan] This is a mutual learning process. It is obvious that we have not yet mastered the theoretical, practical, structural, and other aspects of the problem. There are several nationwide contracts. What we are dealing with here is an escalation or an attempt to extract maximum advantages. These are contracts about rights, with very few stipulated obligations.

[Lazar] Does that mean that we are still at an experimental stage?

[Stolojan] Of course. This cannot possibly work. Everybody suspects everybody. Nobody is satisfied when he sees that somebody else, from another factory, receives three wages when laid off, while he receives only one salary or just half of a salary. There is a second aspect to the problem, namely that one should ensure overall economic stability. However, we notice that a national contract such as, I repeat, is being concluded between the employers and trade unions, can endanger the very criteria of economic stability.

[Lazar] But can one talk about employers in our country?

[Stolojan] There are employers. They are also learning how to behave in such situations. Anyway, who should represent them? The government? Is the government more of an employer than the managers' representatives? The government is public administration. You see, we talk about the role of the minimum salary and nobody knows the role of a minimum salary or the meaning of a subsistence minimum! I do not believe we are actually holding a discussion at all! You see, this is a key issue for Romania's future well-being!

[Lazar] Do you see a solution?

[Stolojan] We should concentrate trade union activities at the level of enterprises. I talked with many managers when I had to take a decision. I thought I might be wrong, since everybody says that things are not proceeding well. I convinced myself that I cannot limit myself to talks with the trade unions alone in this matter.

[Lazar] What did the managers say?

[Stolojan] Some said quite clearly: We can afford a minimum salary of 14,000 lei. Others said they can only give 8, 9, or 10,000 lei for the time being.

[Lazar] In other words, the problem of the minimum salary is artificially being perpetuated?

[Stolojan] This may be so. My opinion is that they were given bad advice. The very salary system we introduced on 1 January amounts to a hand stretched out to the trade unions and an invitation for them to sit down and talk to the management of the respective enterprises. However, they refuse to do that and come to talk to us instead, here at the top, so that we can decide on measures that may then be applied without differentiation at the level of all enterprises.

[Lazar] There is however a justification, as long as the state remains the main owner.

[Stolojan] Who is the state? Am I the state? Or the people here? Or maybe the government or its general secretary Mr. Jerbas? Is it Mr. Biji, the government representative [at the talks with the trade unions]? I can enumerate a few other ministers, too. All we can do is to create a framework and make certain corrections. The trade unions are urging me to take certain centralized measures in the sphere of labor and wages.

[Lazar] Do you doubt the usefulness of the collective contract?

[Stolojan] I am not against the collective labor contract. Although the experts of the Ministry of Labor spent the whole summer working—and learning in the process—on this contract, they did not put together an integral national contract with its due plus points and minus points. They took the plus points of all existing national contracts and joined them into one item. They could have taken all the time they needed for a proper job. The government had been busy with the miners' incursion and other things, so that one day it was confronted with this contract ready made. What do we see now? Well, the law on the collective contract stipulates something about minimum rights; hence, they drew the conclusion that all legal provisions on salary rights are minimal.

[Lazar] Nevertheless, the state is the main owner of capital. Cannot it be given any kind of guarantees?

[Stolojan] I do not understand what they mean by guarantees. What should I guarantee? That I go to someone and force him to do what he cannot do? The idea is that we should not turn the negotiations for a collective labor contract into a process of adopting certain centralized measures unless the law provides for that. Otherwise, we will be back where we started from. If I take centralized steps, then I must also regulate their effects at a centralized level. I cannot understand the employers who signed and the trade unions leaders who accepted such agreements without realizing their impact on the economy. This is not a matter of trying to gain something at the expense of others.

[Lazar] They claim that they proved that it is possible to reach such an accord.

[Stolojan] Did you read the polemics in TINERETUL LIBER? It shows one thing: that you can prove anything from a theoretical point of view. It is very simple: Instead of two apples, I produce 1, 2 apples and instead of a salary of 7,000 lei, I will grant them a salary of 24,000 lei [sentence as received]. This is the core of the matter.

[Lazar] Do you know what they want to prove with the rally scheduled for tomorrow, Friday 14 February?

[Stolojan] I will find out. We will hold further talks here tomorrow. There is an ongoing struggle between the trade union groupings, too. I keep being accused that I favor one group or another. They want to involve me in the problem of the assets of the UGSR [the former General Union of Romanian Trade Unions]. It is not the government's duty to split up its assets among the various trade union confederations. On top of which, there is also the issue of how representative they are: Each TU confederation claims to represent 85 percent of 70 percent of the trade unions. Time will clarify this problem.

[Lazar] With your permission, let us now turn to the second "hot" subject. When you took over your mandate, you set two political goals for yourself: The local elections and the general and presidential elections. The first have already been held. Aside from the satisfaction of seeing them take place, how would you characterize them?

[Stolojan] Except for a few incidents, I believe that we have made obvious progress. Look at what happened before the war in Romania. Were there any elections without incidents and disturbances?

[Lazar] There were no computers, either....

[Stolojan] There were no computers, it is true. I also regret the incident with the National Liberal Party deputy [beaten up during an electoral rally]. Regarding the Sapinta case, the daily DREPTATEA has already questioned me about it. All I wanted to say is that nobody can stop a citizen from voting; it is his right.

[Lazar] The government worked out two draft laws for the general and presidential elections. However, there is a big problem related to Article 144 of the Constitution. If the Constitutional Court does not start functioning by next March, we will not be able to hold presidential elections in May, since the electoral campaign must last two months. Who is in charge of the draft law on the Constitutional Court?

[Stolojan] You forgot that I am not a politician, I am a public administrator. If my goal is the preparation of general elections, well, I have left nothing to chance. The

Parliament has set up a commission to work out the draft law and I appointed a governmental counselor to work with the commission and at the same time to work out the government's own draft law. If the parliamentary commission's activity keeps dragging on, the government will present its own draft law.

[Lazar] You said that there are people who are trying to postpone the presidential elections. Would you mind giving their names?

[Stolojan] Are you asking me to tell you who these people are? Well, they are those who fear that they might lose their positions after the general elections.

[Lazar] Meaning....

[Stolojan] Who do you think might lose their positions in the wake of elections? Very many people, beginning with politicians and ending with the public administration clerks. Because people think that if the government changes, the public administration changes, too, which is an error. If every change made a breach into the administration system, the administration would become inefficient, since it would develop its own defense mechanism, namely inactivity vis-a-vis the political factor.

[Lazar] Aside from these persons referred to in general terms, are there no other "authorities" interested in dragging matters out?

[Stolojan] I cannot express myself officially yet, because my discussions were private. As you can see, nobody talks too much about the general elections. Have you seen anyone taking a public stand on the matter, aside from the two vice presidents of U.S. foundations who visited Romania?

[Lazar] They seemed to know for sure that elections will be held next June! How come that the U.S. observers were better informed than we?

[Stolojan] I do not know how, but they do take an interest, for sure. The only public position we have is that accord among all political parties to hold general elections two to three months after the local elections. But you know how things are in politics: If political interests dictate it, previous agreements can be disregarded. However, I have a certain timetable for preparing the general elections. If I see that the critical point has been exceeded without the intermediary targets being accomplished, then I must consider taking steps. Because if some people are not serious, I cannot be like them.

[Lazar] According to the Constitution and the Electoral Law, the elections can be postponed until December. If the maneuvering succeeds and you cannot stick to your schedule, what will the government do? Will it lay down its mandate?

[Stolojan] Some people accuse me of wanting to leave. This is not true. This is not the problem. I regret that people with political and economic responsibilities do not want to clearly come out and say that these elections are very necessary for the country and should be held as soon as possible. Things cannot continue like that—just as this government cannot continue in its current form. Everybody has an subchief, deputy chief, or department chief, while I do not even have a deputy prime minister.

[Lazar] When were you offered the IMF position? Or is it the World Bank? Before or after taking over your current function?

[Stolojan] Before. I was tested by an international finance organization, not by the World Bank, last April, when I visited the United States as a participant in the spring meeting of the IMF-IBRD [International Bank for Reconstruction and Development]. I will eventually go back to the post I intended to take up all along. This has nothing to do with my pleading for the elections to be held in May, as has been agreed.

[Lazar] Was that a condition for your accepting the mandate of premier?

[Stolojan] I would not say that it was a condition, but that this is the core of the matter. From a democratic viewpoint, such situations are resolved through early general elections, not by postponing them. From an economic viewpoint, maybe I cannot openly state the reasons that make these general elections so necessary. After local elections, things deteriorate at all levels. I do not want May to arrive without anything having happened; we must act before May.

[Lazar] Would you accept that the local and general elections be held separately?

[Stolojan] This is less important for me. What is important is the general elections. As for the presidential ones, I understand that the president has stated his point of view, namely that they should be held together. As an economist, I would say: Let us hold them together, so as to save on expenses. I will not permit decisions that have already been taken to be turned upside down out of certain people's egoistic, personal, or even major political considerations. This government is a crisis solution in a crisis situation that cannot last. I cannot sit here for months on end, alone, from early in the morning till late at night, talking to one person after another....

[Lazar] There is a rumor that the government building contains a listening room manned by a certain person. Do you know of it?

[Stolojan] This is not my business and I do not care about it!

[Lazar] But does that not intrigue you, as a matter of principle?

[Stolojan] I am not interested in that and I do not have time for such stuff. I am faced with other problems day by day. If I were told that somebody in the government was doing that, I would take steps. But, I repeat, I am not interested.

[Lazar] Anyway, you still owe me, and not only me, an answer to the old question: Why did you accept this position [as prime minister]?

[Stolojan] Let me think it out. After the 13 days of talks [for the formation of a coalition government] I realized what a mistake it would have been to have lacked the courage to take up this position.

Fota Considers Food Supply Situation 'Critical'

AU2102143792 Bucharest ROMPRES in English 1329 GMT 21 Feb 92

[Text] Bucharest ROMPRES, 21/2/1992—The population's supply with basic products—bread, sugar, edible oil, butter and potatoes—will be difficult in the period to follow, Trade and Tourism Minister Constantin Fota said during a news conference.

There will be no sugar and edible oil in warehouses starting March 1 and the wheat to make bread will last only through March. Starting April, domestic resources will no longer be enough for bread production. The situation is not better in the case of either butter or potatoes. So far not even a kilogram of the amounts of potatoes supposed to enter the country has got here. Private economic agents brought to this country 60,000 tons of potatoes.

Constantin Fota said the critical situation would hopefully be overcome through purchases of the available amounts from the population at higher prices, and through imports.

During the same press conference, Mr. Fota showed that exports in convertible currency had amounted to 216 million dollars in January, which accounts for roughly 92 percent of the export volume of the same period last year. The causes behind that situation were the small number of workdays in January, the holidays of external partners, the maintenance of a low level of production and the relations with a number of countries, which, although regulated as far as principles are concerned, do not proceed according to the new mechanisms, Mr. Fota pointed out; he quoted as an example the Russian Federation for which a number of exports have been prepared, but cannot be made, because of the internal mechanism in that country which does not operate on the basis of the new principles included in the commercial agreement and the commodity protocol for 1992. Another, more recent cause of the drop in exports, he said, is determined by the need to accommodate economic agents to the system introduced by the National Bank in connection with the hard currency statement, which, to some economic agents, especially those dealing with commodities through several customs points, has created difficulties.

Committee for Relations With Moldova Established

92P2O149A Bucharest MONITORUL OFICIAL in Romanian 5 Feb 92 p 4

["Text" of Decision on the Creation of the Interministerial Committee for Romania's Relations With the Republic of Moldova]

[Text] The government of Romania resolves:

Article 1

With a view to stimulating relations of brotherhood and collaboration with the Republic of Moldova, the Interministerial Committee for Romania's Relations With the Republic of Moldova is created. Representatives of the following ministries, on the state secretary level, are members of the committee: the Ministry of Foreign Affairs, the Ministry of National Defense, the Ministry of Interior, The Ministry of Economy and Finance, the Ministry of Justice, the Ministry of Industry, the Ministry of Trade and Tourism, the Ministry of Transportation, the Ministry of Agriculture and Food Industry, the Ministry of Public Works and Territorial Planning, the Ministry of Communications, the Ministry of Culture, the Ministry of Education and Science, the Ministry of Labor and Social Security, the Ministry of Health, the Ministry of Environment, and the Government Department for Socio-Political Structures. Representatives of the managements of the National Bank of Romania, the Romanian Development Agency, and the General Directorate of Customs are also members of the interministerial committee.

Article 2

The interministerial committee meets once a month and whenever necessary to examine the development of Romania's relations with the Republic of Moldova and to draft proposals for developing these relations on the economic, cultural, and scientific level in all fields of mutual interest.

Article 3

The interministerial committee will be coordinated by the state secretary in the Ministry of Foreign Affairs who is concerned with relations with the Republic of Moldova. The Directorate for the Republic of Moldova in the Ministry of Foreign Affairs will serve as the secretariat of the committee.

Article 4

The interministerial committee will set its own work program so that its activity will be carried out effectively and efficiently.

Prime Minister Theodor Stolojan
Countersigned by: Minister of Foreign Affairs Adrian Nastase
Bucharest, 23 January 1992
No. 28

International

Baker Testimony on Slovene, Croation Recognition

LD2602105392 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 26 Feb 92

[Text] According to the Voice of America, American Secretary of State James Baker said that the United States is still considering its policy towards Yugoslavia. He said, however, that he opposed the recognition of Croatia's and Slovenia's independence. Addressing a subcommittee of the U.S. Senate he stressed that, as regards the United States, the problem of extending recognition arose because Slovenia and Croatia resorted to the use of force in order to meterialize their aspirations to independence last year.

Baker stated that it will be difficult for America to recognize Croatia's and Slovenia's independence while simultaneously appealing to the states of the former Soviet Union not to change their borders by force. In the light of intensified international tensions in Europe, Baker said that such a situation would cause other civil wars like the war in Yugoslavia. He also stressed that the United States sharply condemned Serbia for its actions in the war in Yugoslavia, but, as he said, all sides are to blame. According to Baker, the United States has so far followed the European Community, while the United Nations was still in the process of formulating its position toward Yugoslavia.

UN's Goulding Comments on Financing Troops

LD2502154592 Belgrade TANJUG in English 0202 GMT 25 Feb 92

[Text] Belgrade, February 24 (TANJUG)—The Security Council decision on the blue helmets participation in a peace-keeping action in Yugoslavia having been taken, not of utmost importance at this moment is on which day and at which hour these troops should come, but how much this would cost, Marrack Goulding, the U.N. undersecretary, said in a special programme, the World Today, on Belgrade TV this evening.

Marrack Goulding has so far on several occasions visited Yugoslavia early this year and, together with the U.N. secretary general special envoy for Yugoslavia, has taken part in negotiations with sides concerned in Yugoslavia on solving the Yugoslav crisis and working out the Vance plan for cease-fire and sending a U.N. peace-keeping force.

Not essential is for us to start into action at full speed, but to get money for doing so, Goulding explained. Referring to who can decide on financing the said action, Goulding stressed that the U.N. secretary general would make a detailed proposal ready and the General Assembly is to take the final decision.

About 30 nations will take part in the forthcoming U.N. peace-keeping operation, one among the biggest of them to date, Goulding said. The troops are not to be sent in all at one time, but step by step: The command first, and then senior officers and other military as well as political personalities from the U.N. Only then troops will follow, Goulding said. Indispensable for making a success of this peace-keeping operation are help and cooperation not only from the heads of governments, but also from the ordinary people, i.e. of all the Yugoslavs, Goulding remarked.

Interrepublic

Slovenia, Macedonia To Sign Cooperation Pacts

AU2502164892 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 25 Feb 92

[Text] Delegations of the Slovene and Macedonian Governments, led by vice presidents Dr. Andrej Ocvirk and Jovan Andonov, met in Ljubljana today. The talks concentrated on the content of three agreements that regulate payments' operations and commodity relations between Slovenia and Macedonia. Sonja Znidarsic reports:

[Begin Znidarsic recording] The delegations met in Ohrid at the beginning of February and on that occasion resolved all the controversial and open issues that stood in the way of the signing of bilateral agreements. Both sides also agreed that the agreements on payments' operations, economic cooperation, and the exchange of commodities be signed in Ljubljana. This will take place this afternoon. Both sides were pleased that there were no special complications and that they tolerantly resolved all disputable matters. In this way Slovenia and Macedonia continue the tradition of good economic and business cooperation, which was forcefully interrupted by the disintegration of the Yugoslav market.

According to Vice President Ocvirk, economic cooperation will be based on a free trade zone [cona svobodne trgovine], which means that no customs duties will be levied in the exchange of goods originating from one or the other republic. The two delegations agreed on mutual protection of companies on a reciprocal basis. Commercial banks in Slovenia and Macedonia will be registered on the same principle.

The payments' operations agreement specifies that mutual trade will amount to 422 million German marks this year. Slovenia will buy a bit more than 80 million German marks worth of agricultural produce and basic industry [bazicna industrija] goods in Macedonia through the lists of commodities [blagovne liste]. On this market Slovenia will sell primarily electrical manufacturing industry goods, paper, cellulose, and some agricultural produce that Macedonia lacks.

There will be three forms of payments' operations: with convertible currency, by clearing accounts, or via nonresidential bank accounts. The delegations also agreed to establish air traffic soon. They hope that road and railway communications will soon be re-established, as

the present blockades harm everybody, including the Serbian economy. We were told that open questions relating to the Ljubljanska Banka will be resolved as a part of the final settlement of Yugoslavia's property.

When asked when after mutual recognition the two states will open diplomatic missions, Jovan Andonov, vice president of the Macedonian Government, answered that during his afternoon talks with Milan Kucan, president of Slovene Presidency, he will propose and express the wish that Macedonia open its embassy in Ljubljana as soon as possible. [end recording]

Federal

Presidency Urges Rapid UN Deployment

LD2502172592 Belgrade TANJUG in English 1609 GMT 25 Feb 92

[Text] Belgrade, February 25 (TANJUG)—The Yugoslav Presidency held a session today and underscored that it is especially important for the United Nations (U.N.) peace operation in Yugoslavia to begin as soon as possible, in particular because of increasingly frequent provocations from the paramilitary formations of Croatia in the crisis areas of this breakaway republic, said a Presidency statement.

According to the statement, the Presidency reviewed the political-security situation in Yugoslavia. It was concluded that there were still no major violations of the cease-fire in the crisis areas of Croatia.

As announced, the Yugoslav Presidency also discussed some topical issues pertaining to the organization and personnel of the Federal Secretariat for National Defence as part of the transformation and cutting down of the Yugoslav People's Army (JNA) and the armed forces in general. The Presidency also decided about a number of JNA officers going into retirement or terminating their service in the course of this year.

Croatian Army Using Drones Over Mostar Airfield

LD2502211992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1829 GMT 25 Feb 92

[Text] Nevesinje, 25 Feb (TANJUG)—The Uzice Corps Information Service reported tonight that Croatian armed forces have for a long time now been flying over the Mostar airfield with the most up-to-date pilotless aircraft [bespilotne letilice] training for an attack on this military facility. The aim of these actions is to provoke and wear out the Yugoslav People's Army [JNA] air-defense system and personnel, the statement says.

The Uzice Corps command also reports that barricades were put up in Capljina last night to hamper the movement of JNA vehicles and regular supplies for the units. Moreover, according to this command's statement, Croatian paramilitary formations opened fire from light and automatic weapons from the quarry above the village of Zitomislic on the positions of the Uzice Corps units. The attack lasted about 15 minutes. The JNA units did not respond to this provocation, the statement stresses, adding that EC and UN missions have been informed of these incidents. The Uzice Corps command warns that the patience of JNA members has reached a breaking point and that any new provocation can entail serious consequences.

Plans To Disband Yugoslav Army Proposed

92BA0499B Zagreb VJESNIK in Serbo-Croatian 5 Feb 92 p 3

[Article by Zeljko Buksa: "We Will Not Pay War Criminals"]

[Text] It is the government's proposal that the efforts of the peace conference and the UN be aimed at disbanding the Yugoslav Army and placing it under international supervision, and that the republics of the former Yugoslavia assume responsibility for and ensure subsistence of their citizens in the Army.

What is to be done with an army that does not have a country to serve and to finance it? This question is becoming increasingly urgent now that the world has acknowledged that Yugoslavia no longer exists but that its former army continues stubbornly to call itself Yugoslav. It is trying in this way to retain all its weapons and equipment for itself and the remnant of the former Yugoslavia, at least until the end of the war, so as to remain superior from the viewpoint of materiel on the battlefield, something that would make it easier for it to reach the goals of its commanders.

On the other hand, the remaining and still large number of officers need such an army as a good source of income and privileges. In addition, many of them answer newsmen's questions about how they can commit such crimes and kill innocent people by stating frankly that they are only carrying out orders given them, because they and their families must have a way of earning a living.

Krsto Cviic's Idea

The most recent proposal of what is perhaps the least painful solution to this problem was made a few days ago by Dr. Zdravko Tomac, Croatian deputy prime minister, and Krsto Cviic, a member of the Royal Institute of International Affairs and a prominent columnist of THE ECONOMIST. Inasmuch as the Yugoslav Army, aside from with the enlisted men who have often been inducted and kept in by force and the majority of whom would like to go home immediately, is made up of thousands of well-paid officers, Cviic believes that they should be offered adequate compensation for leaving the aggressor army, because this is a lesser evil than their remaining in the Yugoslav Army and continuing the destruction. This proposal is similar to the German decision to pay the Soviet officers stationed in the GDR a total of 13 billion Deutsche marks to induce them to return to the former Soviet Union, where they already

have housing and other conditions for starting a new life waiting for them. According to Cviic, a similar formula has been applied in Poland. The best thing, again according to Cviic, would be for the money for this compensation to be secured with the aid of various international funds.

That the proposal has fallen on fertile soil is also demonstrated by Cviic's recent conversation with Dr. Tomac, who informed Cviic of the government's proposal that the efforts of the peace conference and the United Nations be aimed at disbanding the Yugoslav Army and placing it under international supervision, and that the republics of the former Yugoslavia assume responsibility for the subsistence of the officers serving in that army. Inasmuch as Yugoslavia no longer exists and most of the army is concentrated in Bosnia and Hercegovina, doing so would prevent the outbreak of war in this republic, according to Dr. Tomac.

War Criminals in Court

VJESNIK discussed this proposal with Stjepan Adanic, head of the Croatian president's military cabinet, asking him if this means that Croatia is willing to give a pension or other compensation even to generals Kadijevic, Jurjevic, and others responsible for war crimes.

His reply was that this proposal is aimed at disbanding of Yugoslav Army. An individual republic would be allotted as many weapons, items of equipment, and officers as it financed in previous years. Enlisted men would be sent home, so that a well-distributed balance would be established. Croatia has already met a significant part of this obligation, in that it has accepted a large number of officers of the former Yugoslav Army, who are now working regularly in the Croatian army and have retained their ranks, housing, and all other rights. Now it is the turn of the other republics. If calculations should show that Croatia must accept more officers, it is willing to do this, but will accept only ones who have not violated the laws of the Republic of Croatia. Croatia definitely will not pay war criminals. They must be brought to justice in court.

Bosnia-Hercegovina

HDZ Appeals to Croats on Referendum

AU2502162892 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 25 Feb 92

[Nebojsa Nikolic report]

[Text] Aware of the significance of the agreement reached in Lisbon, which is of utmost importance for them and which almost fully meets all their demands, leaders of the Croatian Democratic Community of Bosnia-Hercegovina today appealed to all Croats in this republic to take part in the upcoming referendum and vote in favor of an independent and sovereign Bosnia-Hercegovina. With this act the Croats from Bosnia-Hercegovina would achieve their main aim: a final departure from Yugoslavia and a greater Serbia. This was stated by Ivan Markesic, secretary of the Croatian Democratic Community of Bosnia-Hercegovina, at a regular news conference today.

As we have learned, the main idea of the Lisbon agreement, which will be discussed the day after tomorrow, is the rational decentralization or the division of competences among the joint organs and governments of the constituent units, or cantons.

The document also offers the organization of a special constitutional court. The court would contain an unbiased person who would be neither from from Bosnia-Hercegovina nor the neighboring republics and would sit in the court for a period no shorter than five years. The Lisbon agreement also offers the decentralization of the police, administration, and judiciary. The Assembly of Bosnia-Hercegovina would be bicameral and would be made up of the Chamber of Citizens and the Chamber of Constituent Units.

This document did not deal with the problem of the relations of Serbs and Croats from Bosnia-Hercegovina with their mother countries, Serbia and Croatia respectively. This will most probably be discussed on 27 February when the new round of negotiations is supposed to take place.

The impression is that the EC has fully accepted the stands of the Serbian Democratic Party and the Croatian Democratic Community of Bosnia-Hercegovina. According to them, the settlement of the crisis in Bosnia-Hercegovina can only be arrived at by respecting the sovereignty of the peoples and not the citizens, which is favored by Alija Izetbegovic and his Party of Democratic Action.

The opposition parties of Bosnia-Hercegovina also reacted to the Lisbon agreement. Except for the Alliance of Reform Forces, which thinks that such a denouement was expected, the leaders of the Socialist Democratic Party and the Muslim Bosniak Organization, Nijaz Durakovic and Muhamed Filipovic respectively, hold the view that the compromise reached in Lisbon is a prelude to the final disintegration of Bosnia-Hercegovina. For Durakovic, the Lisbon agreement represents a shocking salto mortale, especially for the policy pursued by Alija Izetbegovic.

At the session of the Assembly of the Serbian People of Bosnia- Hercegovina, members of the delegation of the Serbian Democratic Party who held negotiations in Lisbon explained the stands they promoted there.

Prior to the session, Dr. Radovan Karadzic, commenting on the decision by the Croatian Democratic Community to ask Croats to take part in the referendum, said that this could have been expected because the Croatian Democratic Community and the Serbian Democratic

Party consider the results of the talks in Lisbon more important than the referendum.

Views Internal System Agreement

LD2502195192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1347 GMT 25 Feb 92

[Text] Sarajevo, 25 Feb (TANJUG)—At a news conference today, the Croatian Democratic Community [HDZ] of Bosnia-Hercegovina called upon its membership, all Croats and citizens of this republic to come to the polling stations on 29 February and 1 March to give a positive reply to the question posed on sovereignty and independence in the referendum of citizens of Bosnia-Hercegovina.

Miro Lasic, head of the delegation of the HDZ of Bosnia-Hercegovina at the political talks between the three ruling national parties of Bosnia-Hercegovina in Lisbon, spoke in detail for the first time today about the agreement reached on the internal system of Bosnia-Hercegovina. He said that if in the continuation of the talks this solution is adopted, Bosnia-Hercegovina will be an independent state with its sovereignty divided between the cantons and the central authorities. The authorities in the cantons will be sovereign except where their sovereignty is restricted by the federal constitution of Bosnia-Hercegovina.

The federal authorities of Bosnia-Hercegovina, Miro Lasic said, should insure the equality and sovereignty of the nations and citizens and the independence of the country, and they will protect the freedoms and rights of the "countries" or cantons. The highest state act, Lasic explained, will be the federal constitution, which will establish the state on the principles of equality, parity, and consensus-based decision-making on vital national questions. The Lisbon agreement between the three ruling parties of Bosnia- Hercegovina envisages the participation of the three nations on an equal basis, i.e. on the basis of parity, in the leading functions of the state authorities, while the currency of Bosnia-Hercegovina will be its own single currency. Croats, it was said, are requesting the right to have dual citizenship of Bosnia-Hercegovina and Croatia.

The HDZ of Bosnia-Hercegovina, Miro Lasic said, requests that the constitutional law guarantee that Bosnia-Hercegovina will not accept or arrange state relations with other countries which could run counter to the interests of the Croatian nation, while the cantons will be determined in accordance with the wishes of the population and an international agreement, taking into account the Croatian national interest which, Lasic stressed, is expressed not only in today's majority national composition of the population, but also in Croatian historical rights as well as in the sacred places of the Croatian nation on the soil of Bosnia-Hercegovina. Constitutional questions between the authorities of the state and the authorities of the constituent parts or units should be resolved by a special constitutional court in an impartial way.

If the Serbs in Croatia are a sovereign nation, there is no reason not to accept this internal system of Bosnia-Hercegovina in Croatia regarding the Serbs, Lasic said in reply to a question from a journalist who was interested to know whether this model of a federal system of Bosnia-Hercegovina, put forward by the HDZ of Bosnia-Hercegovina as part of the all-Croatian HDZ, could be applied to the Serbian nation and Serbian regions in Croatia.

The HDZ of Bosnia-Hercegovina today sharply protested the planting of an explosive device in the building of the Croatian cultural society Napredak in Odzak last night and the murder of a doctor, Lojze Kelava, in Glamoc.

Social Democrats Oppose Lisbon Agreement

AU2502194492 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 25 Feb 92

[Text] The Socialist Democratic Party of Bosnia-Hercegovina, which issued a statement yesterday and held a news conference today, held its position. The Lisbon agreement is treason. Therefore, the Socialist Democratic Party of Bosnia-Hercegovina demands that the Lisbon agreement be revealed and given to the citizens to examine it.

The Socialist Democratic Party appeals to its members, supporters, and all those who are in favor of an integral Bosnia-Hercegovina to take part in the upcoming referendum. In this way the citizens would enable internationally recognized Bosnia-Hercegovina to become an equal partner of other republics.

Considering that the Lisbon agreement means the division of Bosnia-Hercegovina, the Socialist Democratic Party holds the view that such important decisions cannot be made by a narrow circle of people and that the citizens should decide on a possible division of the republic at a referendum. If the ruling parties ignore this fact, the Socialist Democratic Party says that it will resort to a non-parliamentary democratic means of fighting.

Croats Block Hardware Supplies for JNA

LD2502193192 Belgrade TANJUG in English 1737 GMT 25 Feb 92

[Text] Novi Travnik, Yugoslavia, Feb 25 (TANJUG)—The Croatian Democratic Union (HDZ), which is the ruling party in several communes in the central part of the Yugoslav Republic of Bosnia-Hercegovina (BIH), has for longer than five months been blocking deliveries of military hardware to the Yugoslav People's Army (JNA) from the defence manufacturer 'Bratstvo' in Novi Tranik.

Although roadblocks which prevented the deliveries were lifted last night, the communal authorities' ban on military shipments still stands.

Bratstvo's employees, who have not received their paychecks for several months, as the blockade has stopped all sales, yesterday blocked the Sarajevo-Travnik-Bugmjno road in an attempt to force the authorities to lift the ban, bkt they were dispersed by arms-wielding HDZ and HOS members.

The HOS (Croatian Defence Alliance) is the party army of the extreme right-wing pro-fascist Croatian Party of Right, headed by Dobrosav Paraga. The illegally-armed HOS militants wear black uniforms and Ustasha symbols.

The Ustashas were Croatian fascists who exterminated about one million Serbs, Jews and Romanies in the World War Two quisling 'independent state of Croatia' - 700,000 in the Jasenovac concentration camp alone.

Serbian Assembly Members Begin Session

LD2502152492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1402 GMT 25 Feb 92

[Text] Sarajevo, 25 Feb (TANJUG)—A session of the Assembly of the Serbian People of Bosnia-Hercegovina started at the Holiday Inn in Sarajevo at 1100 GMT today. The session will discuss the future organization of this republic in connection with an agreement reached between the leaders of three national parties at a meeting in Lisbon. The session is being held behind closed doors. A statement is to be issued this afternoon.

Serb Party Rejects Izetbegovic Accusations

LD2502174292 Belgrade TANJUG in English 1619 GMT 25 Feb 92

[Text] Sarajevo, Feb 25 (TANJUG)—The leadership of the Serbian Democratic Party (SDS) of Bosnia-Hercegovina (BIH) sent today a letter to special envoy of the European Community (EC) for Yugoslavia Jose Cutileiro in which it said the position of the party was that the conference on BIH should be continued until a final solution is reached.

The SDS in this way rejected accusations contained in a letter sent to Cutileiro yesterday by President of the BIH Presidency Alija Izetbegovic, who said the SDS was torpedoing the EC-sponsored talks of the republic's three leading parties, which are scheduled to resume on Thursday in Sarajevo. The SDS leadership, which is headed by Radovan Karadzic, Nikola Koljevic and Momcilo Krajisni, says in its letter the tension being felt by the Serbs in BIH was provoked by the announced referendum on the future status of that Yugoslav republic, which presented extremists with an opportunity for uncontrolled behaviour.

Such groups express neither the interests of the Serbian Democratic Party nor of the Serbian people in BIH, the SDS said in its letter. It said Izetbegovic had written the letter solely to undermine the significance of the conference on BIH and to get what he wanted 'by way of an illegal referendum.' The referendum was set for this weekend by Muslim and Croat deputies in the BIH parliament in the absence of Serb deputies and against their wishes.

The ethnically diverse BIH is ruled by a three-party coalition - the SDA (Party of Democratic Action, which rallies the Muslims), the Serb-rallying SDS and the HDZ (Croatian Democratic Union, which rallies the republic's Croats). Under the republican constitution, ay decision of vital importance for its future requires the consensus of all three nations. The Serbs are opposed to being outvoted and to the holding of a referendum before agreement is reached on a political organization of BIH.

The Croats in BIH have now also come out in favour of agreement before a referendum. The conference on BIH began last week in Lisbon, where it was agreed that the republic should remain within its current borders and should be cantonized along ethnic lines. Republican HDZ Vice-president Miro Lasic said at a news conference today that if the system proposed in Lisbon was adopted in the talks BIH would become a state whose sovereignty would be divided between the cantons and the central organs of authority.

Although the HDZ's position on cantonization is close to that of the SDS it has nevertheless urged its members and the Croatian people to cast their votes in the referendum on BIH's sovereignty and independence set for February 29 and March 1. BIH Presidency member from the [words indistinct] the independent parliamentary deputies Ejub Ganic said that in his view an important role in the vote would be played by the 7.5 per cent of the BIH's citizens who were not members of the said three largest ethnic communities.

Izetbegovic discussed the referendum today with the head of the Islamic religious community in Yugoslavia, Reis-ul-Ulema Hadzi Jakub Effendi Selimodn who described the vote as a referendum for a a democratic, sovereign, independent and indivisible BIH, in the form supported by the members of the Islamic religious community [words indistinct].

Croatia

Krajina Assembly Continues Session in Knin

AU2502153392 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 25 Feb 92

[Text] In the shadow of tomorrow's gathering of Krajina leaders and deputies in Borovo Selo, the permanent session of the Assembly of the Republic of Serbian Krajina resumed today in Knin. Deputies are discussing a package of proposed laws that also includes laws on citizenship, personal documentation, and political organizations. The session is being chaired by Petar Cvijetanovic, the new parliamentary president who was elected last week.

Ristko Matkovic, president of the government, said that, according to the Constitution of the Republic of Serbian

Krajina, the meeting in Borovo Selo does not have any legitimacy at all. In his opinion, this assembly does not have either the power or the authority to dismiss or appoint the presidents of the republic and the government. Matkovic stressed that there had been time but no understanding for all the deputies to meet in Knin and to resolve problems in a peaceful way, which would above all be in the interests of the Serbian people.

A delegation of the Serbian Democratic Party, the Socialist Party of Krajina, and a small group of deputies of the Krajina parliament left Knin today for Borovo Selo.

Schedules Referendum on Vance Plan

LD2502205992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1857 GMT 25 Feb 92

[Text] Knin, 25 Feb (TANJUG)—At the end of today's session of the Republic of Serbian Krajina parliament in Knin, deputies unanimously adopted decisions to conduct a referendum on Cyrus Vance's peace plan and to hold elections for president of the republic and for assembly deputies.

The referendum has been planned for 7 and 8 March, and elections should be held within 60 days.

Apart from the decisions on elections to the highest organs of authority, a law on elections, based on the majority principle, was also adopted. The whole of Krajina will have 60 constituencies, and each municipality will have at least one representative in the assembly.

The Krajina parliament has acquired seven new deputies from the newly founded municipality of Udbina.

In view of the fact that the parliament is constantly in session, a quorum was not established at the session, but all the decisions and a package of laws (on citizenship, personal identity documents, political organizations, the electricity supply industry, public transport, and social welfare) were adopted unanimously. All the laws, Prime Minister Risto Matkovic said, develop and build upon the legal and constitutional system of the Republic of Serbian Krajina.

Nevertheless, the impression has been gained that with the session of parliament in Knin a thin shadow has been lifted from tomorrow's meeting scheduled to be held in Borovo Selo, and one has the impression that the decisions and laws adopted should soften the sharpness of possible similar decisions by a "rival" assembly. Matkovic stressed that the meeting in Borovo Selo is illegal and unconstitutional.

At the proposal of Dr. Milan Babic, president of the Republic of Serbian Krajina, Matkovic's cabinet has acquired a further two members. Colonel Milos Pupavac has been appointed minister of defence and Veljko Popovic as minister for urban development, construction, and communal affairs. Also at Babic's proposal, four of the five judges of the Constitutional Court, of which Milan Vucak has been appointed chairman, were appointed.

Deputies also approved a public statement condemning all those who are destroying Serbian unity and attacking the institutions of the system of the Republic of Serbian Krajina. In this context mention was made of some presidents of municipalities, and of Dr. Jovan Raskovic, Dusan Zelenbaba, and Jovan Opacic, but also of individuals from the Yugoslav Peoples' Army (JNA) and the Secretariat for Internal Affairs. A request was made for the support of the whole of the Serbian nation in condemning such activity and for help in preserving the democratic achievements which, the statement says, the people in the Republic of Serbian Krajina fought for with their blood.

Parties Form Committee for Human Rights

LD2502155192 Belgrade TANJUG in English 0526 GMT 25 Feb 92

[Text] Zagreb, February 25 (TANJUG)—The opposition parliamentary parties in Yugoslavia's breaking-away republic of Croatia have set up their committee for human rights. The committee members will be independent of parties delegating them. They are to come from among experts, cultural and public workers who have distinguished themselves in the struggle for human rights. The reason for setting up such a committee, the opposition parties explain by the fact that breaches of human rights have become frequent in Croatia and that the existing Parliamentary Committee for Human Rights does not do its job properly as it should.

Bridge Over Sava River Open to Road Traffic

LD2502170992 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 25 Feb 92

[Report from Slavonski Samac by reporter Vladimir Fajgl]

[Excerpt] After a 20-day blockade of road and rail traffic across the Sava bridge between Bosanski Samac and Slavonski Samac—the only continental line of communication of Bosnia-Hercegovina with Croatia and Europe—less than an hour ago, the Samac bridge across the Sava was again opened to road traffic. [passage omitted]

Navy Takes Over Split Harbor; Plane Crashes

LD2502154392 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 25 Feb 92

[Text] The raising of the Croatian flag and a march-past by the Army in Lora Harbor, Split, in the presence of Admiral Sveto Letica, commander of the Croatian Navy, signified for the first time this morning that the Croatian Navy has taken over this harbor, and that it will use it as

its base. Formations of marines, the naval and military police, and the Headquarters of the Croatian Navy were present at the ceremony.

The Split center for air reconnaissance and flight control of the Croatian Air Force and Air Defense announced this morning that late yesterday afternoon an aircraft of the occupying army crashed, most probably near Djevrske. It is assumed that the crash was caused by engine failure and that the pilot ejected. Immediately after the crash there were frequent flights by helicopters of the Yugo-army, which most probably were looking for the pilot in the Kornat, Rogoznica and Zirje area.

Impact of Peacekeepers' Arrival Viewed

92BA0526B Zagreb VJESNIK in Serbo-Croatian 17 Feb 92 p 5

[Article by Hido Biscevic: "Milosevic's Knot"]

[Text] The anticipated formal decision to send UN forces to the so-called protected zones in Croatia will soon definitively change the political, military-strategic, and national-psychological state of mind in the republic and in the broader region. Then it will become clear once and for all that the war phase of the Croatian breakthrough to statehood is over and a period is coming in which full state sovereignty will begin to be attained by other means and under changed political circumstances. The arrival of the UN peacekeeping forces, by the nature of things, will confront Croatia with the task of accompanying the process of gradual normalization of conditions and life in the occupied regions, strengthened by the return of those driven out under the protection of UN forces, by a stronger step forward toward a fully democratic and law-governed state.

Only by doing that will Croatia authentically prove that the war was actually an obstacle to its own postcommunist transformation. Croatia will thereby finally confirm, through its internal development, the fact that the strategy of Serbian expansionism in military and political terms has experienced defeat and that nothing is left for the Belgrade regime but to portray its concessions as false victories, in a tactic that a portion of the government and opposition are willing to be easily taken in by even in Croatia.

There is no argument that Milosevic's Serbia manages time and time again to skillfully portray its loser's meandering as a firm march on the road of triumph of an expanded Serbia—but even today that is hardly a Croatian problem anymore. Except insofar as it needs to participate, precisely on behalf of its own permanent security, in the search for a future integral model of stability in this part of Europe. In this connection, we should anticipate two very obvious processes—first, a characteristic change of tactics toward Bosnia-Hercegovina, and second, an accelerated effort to form a so-called new Yugoslav state by annexing Montenegro so as to facilitate Milosevic's "triumphal" return to Serbia and in that way cast a shadow over the possible anarchoid conflict between communism and hegemonistic nationalism. Whereas in Belgrade's present attitude toward Bosnia-Hercegovina one clearly sees a deceptive turn toward "soft intervention," in the case of annexation of Montenegro one sees manipulation of the West's fear of possible chaotic and regionally destabilizing consequences of Slobodan Milosevic's complete defeat.

Geopolitical division and even "creeping annexation" of parts of its territory has already been accomplished via facti in Bosnia-Hercegovina. The current soft tactics comes down merely to avoiding an open conflict, because Milosevic is sufficiently aware that aggression against a republic which has not even "seceded" would signify his final downfall. In the case of Montenegro—except for the almost farcical repetition of that "attachment" of the formerly sovereign small kingdom to the Serbian delegation at the Paris Peace Conference in 1918—this is a deliberate departure from internationally recognized views concerning the impossibility of automatic succession to a disintegrated Yugoslavia. In this way, Milosevic once again comes into conflict with the international community and the principles adopted by the arbitration commission within the framework of the peace conference.

But the speed of preparation of a "new Yugoslavia," regardless of what kind, is objectively a sign of the Milosevic regime's weakness and a clear attempt to anticipate with at least some kind of gains the opposition demands not only for changes in the top leadership of the state, but even for radical redefinition of the Serbian strategic position in the Balkans.

Croatia, the other republics, and the international community should in principle be against this kind of manipulation of alleged new dangers in the region lest Milosevic be allowed to create some kind of "Yugoslavia" and present it as the legal successor. But pragmatic politics must also think about the scenario in which the edge might be taken off Serbian national and territorial appetites at least symbolically if the West were to consent to a unified Serbia and Montenegro being called "Yugoslavia," to the legal and financial questions of inheritance being left to a later phase of negotiations when realities would be different, to a coalition of various opposition forces induced by the West overthrowing Milosevic, but with none of its objectively unreliable leaders taking power, and to then seeking the stability of the broader region in a coalition of a pro-Western young military team of the former federal army and Serbian politicians from the remnants of the former reform-oriented federal government.

Perhaps the meeting between Zimmerman, the American ambassador, and the deputy prime minister of the former federal government should not have been overlooked by the media.

Macedonia

Foreign Minister Protests Greek Sanctions

LD2502121392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1032 GMT 25 Feb 92

[Text] Skopje, 25 Feb (TANJUG)—Macedonian For ,n Relations Minister Denko Maleski last night sent a letter to Joao de Deus Pinheiro, chairman of the EC Council of Ministers, informing him that "official bodies of the Republic of Greece have been applying sanctions against the Republic of Macedonia." The letter stresses that "Greece imposed a blockade of Macedonia despite the fact that this contravenes principles and policies of the European Community of which Greece is a member." On behalf of the government of the Republic of Macedonia, Maleski put forward a proposal that "a commission of the European Community visit Macedonia, carry out an investigation on the border with the Republic of Greece, and contribute to the settlement of the crisis."

President Gligorov Expects Early Recognition

AU2502103392 Budapest UJ MAGYARORSZAG in Hungarian 21 Feb 92 pp 1,2

[Interview with Macedonian President Kiro Gligorov by Laszlo Kovacs; place and date not given: "The Balkans Are Drawing Closer to Europe"]

[Text] In Lisbon recently the EC foreign ministers failed to recognize the independence and sovereignty of Macedonia. Our interview with Kiro Gligorov deals with this issue and the situation in the Balkans. The sensitive relations between Skopje and Athens inevitably came up during the interview. Because the Greek position on this issue differs from the position expressed below in many respects, we will also inform our readers about the Greek position in the near future.

[Kovacs] Mr President! What is your opinion about the decisions of the EC ministers meeting in Lisbon, decisions that also deal with the international recognition of Macedonia?

[Gligorov] Unfortunately, the meeting in Lisbon has again delayed the international recognition of the Republic of Macedonia, thanks to one EC member, namely Greece, a country that is exerting enormous pressure on the other members to avoid making a positive decision. Besides, these delays also contradict the decisions of the relevant EC committee because, according to this committee, Macedonia fulfills all the conditions necessary for international recognition. Therefore, justice and right are on our side but, unfortunately, it has again been proved that justice and right are not always compatible with politics. However, the recognition process has already begun, because the Republic of Macedonia has already been recognized by Bulgaria, Turkey, Slovenia, and Croatia, and this process has now become irreversible.

As for the positive opinion of the relevant EC committee and the opposing decision of the EC ministers meeting, this is increasingly becoming a moral question in addition to being a political one. Despite the great disappointment caused by the recent decision in Lisbon, I still hope that Europe will continue to follow the legal principles of democratic procedure and will consider the aspects of justice, including respect for a nation's right to self- determination.

[Kovacs] In the long run, what kind of relations do you intend to develop with Greece, in view of the fact that Athens is demanding a change in the name of your republic as a condition for recognition, because Athens is afraid that the use of the name Macedonia would mean territorial claims against Greece?

[Gligorov] Macedonia has only one choice: friendly and open cooperation with all its neighbors, including Greece. Without exception, we are all compelled to act in this way in the current period of building a common European home. We are for a Balkans where people, goods, and ideas can move freely through formal borders. Our goal is to see the Balkans free of historical prejudices and tensions and of the questioning of the existence of certain nations. We have definitely decided in favor of peace and cooperation. Therefore, we regard the Greek position as damaging and irrational. In order to prove our good intentions and good faith, and contrary to everyday practice, we declared in our Constitution that we had no territorial claims against our neighbors and we would not interfere in their internal affairs either. Unfortunately, Greece claims that the very name of our country includes territorial demands. Naturally, this interpretation is wrong. We are Slavs who came to this area in the 6th century. This fact also proves that we are not the descendants of the ancient Macedonians. We have borne this name for centuries; it originates from the name of this geographical region, and we are inhabitants of part of this region. This is the way people can differentiate us from the neighboring Slav peoples, the Serbs and the Bulgarians. Our country is called the Republic of Macedonia, and this is only a part of the territory that is now part of Greece and Bulgaria. We are convinced that the processes currently under way in the Balkans and in Europe will soon make all this problem a chapter in the history books. That is why the Republic of Macedonia has proposed a dialogue and cooperation to Greece. With its modest economic strength and without its own army, a small and peaceful Macedonia is really not in a position to threaten Greece, a country five times as big as Macedonia.

[Kovacs] Can you envisage the creation of loose contacts or a confederation between the former Yugoslav member states?

[Gligorov] Prior to the outbreak of the war in Croatia, Alija Izetbegovic, president of the Presidium of Bosnia-Hercegovina, and myself worked out a proposal on the creation of sovereign states. If this proposal had been accepted a year ago, I believe there would have been no

war. Today, however, after all the things that have happened, the realities show that such a plan is not only impossible but also unacceptable. The process of recognizing the former Yugoslav member states has already begun. As independent states, these states will obviously cooperate in the future, primarily in the economic field. They have simply no other alternative.

[Kovacs] One can read in the Macedonian press, too, that the withdrawing Yugoslav Federal Army might even return if Macedonia's relations with Serbia turn sour, in order to defend the Serbian minority living in Macedonia. What is your opinion about this?

[Gligorov] The Yugoslav Federal Army will leave Macedonia for good, and the Macedonian leadership will hold talks with General Adjic in Skopje as early as this weekend. This process is going on under legal conditions and without incidents, and in the spirit of the Constitution of the Republic of Macedonia and the political agreement reached with the Army. The Army barracks were never surrounded in Macedonia, and no conflict emerged as a result of such action. No atrocities have been committed against any officers or their families. We did not set up paramilitary units or free troops, and no conflict emerged with the Army. Even now when the army is leaving us, we guarantee civil and human rights to every officer who wants to remain in Macedonia, irrespective of his nationality. Besides, we have no problems at all with the Serbian minority in Macedonia, and this issue could hardly be the cause of a conflict with Serbia that would force the army to return. There are about 44,000 Serbs in Macedonia, most of them army officers and their families. This means that they are dispersed all over Macedonian territory. They are equal citizens of the Republic of Macedonia and their constitutional and civil rights are guaranteed.

[Kovacs] In view of the integration processes that gained momentum after the EC conference in Maastrich and the CSCE conference in Paris, how do you see the prospects of cooperation in the Balkans?

[Gligorov] As I have already said, the Macedonian way can only be the European way. I am convinced that this is the only possible way to turn the "Balkans powderkeg" into a real "European region." This means that we should finally abandon the policy of creating "ethnically pure countries" in this region, and we must give up any irrational behavior, territorial claims, and the denial of the existence of certain nations. Therefore, Europe should complete the process of recognizing the independence of the former Yugoslav republics as quickly as possible and should accelerate the process of including them in the European Community. In a borderless Europe with a free flow of people, goods, and ideas the old elements of Balkan politics will lose ground.

Trade Unions Leave Federal Organization

LD2502191692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1405 GMT 25 Feb 92

[Excerpt] Belgrade, 25 Feb (TANJUG)—The Association of Independent Trade Unions of Macedonia is no longer a member of the federal trade union organization. Momcilo Colakovic, president of the Association of Independent Trade Unions of Yugoslavia, announced this at today's session of executive committees of the federal committees of trade unions. According to him, the decision to leave the Yugoslav Trade Union Federation and to withdraw its representatives from Belgrade was reached by Macedonian trade union leaders last week, but official information arrived at the Association of Independent Trade Unions of Yugoslavia only recently.

"The Association of Independent Trade Unions of Yugoslavia is not opposed to trade union pluralism, but it is against national trade unions which are ready to withdraw their delegations on a signal from politicians," Colakovic said regarding the departure of the Macedonians.

According to the president of the Association of Independent Trade Unions of Yugoslavia, the federal trade union has 22 members. These are trade unions and republican trade union organizations from Serbia, Montenegro, and Bosnia-Hercegovina which, according to him, represent 4.5 million workers. [passage omitted]

Montenegro

Socialists Against Future 'Unitarist' State

92BA0520B Belgrade BORBA in Serbo-Croatian 10 Feb 92 p 3

[Article by D. Vukovic: "Abandoning the Promised Minimum"—first paragraph is BORBA introduction]

[Text] The "Socialists" are against the centralist and unitarist model of the future state.

Titograd—The referendum was also the chief political topic in Montenegro this weekend. In Zabljak, groups of experts from Montenegro and Serbia began work on a model for a joint state, and on seeking the fundamental principles on which that state would be based. The Executive Committee of the Socialist Party of Montenegro warned once again that the upcoming referendum, as it was conceived, could turn into a dangerous manipulation, with far-reaching consequences for Montenegro. This fear, the Socialist Party feels, has been shown to be justified, because the president of the Montenegrin Presidency, after 15 days, has broken his promise, uttered in the Montenegrin Assembly, that the model for a joint state offered in the "Draft Decision on Scheduling a Referendum" was the minimum, below which Montenegro would not go. According to the claims of the "Socialists," just one meeting with

Milosevic was enough for the Montenegrin leadership to consent to a completely new, and from all indications, centralist and unitarist model for the future state. The Executive Committee of the Socialist Party warned at the end of its public communique that one could not escape historic responsibility for the disappearance of the Montenegrin state.

The Communist Party of Yugoslavia for Montenegro has a completely different attitude toward the upcoming referendum. For the leaders of this party, the slogan about an autonomous and sovereign Montenegro conceals the intention of dismembering it. The future is in Yugoslavia, whose nucleus can be preserved in a unified state of Montenegro and Serbia, the "Communists" claim. The Goli Otok Association also supports a joint state of Montenegro and Serbia. That state should be democratic, so that 1948 and years like it will never be repeated.

Opposition Parties on 'Fait Accompli' Policy

92BA0517B Belgrade BORBA in Serbo-Croatian 15-16 Feb 92 p 5

[Article by D. Vukovic: "Against the Policy of the Fait Accompli"]

[Text] Titograd—The representatives of the Unified Opposition of Montenegro did not have to invent the occasion for yesterday's press conference. They were presented it by the talks between the government leaders of Montenegro and Serbia, whose epilogue is the model of the joint state. Miodrag Marovic, president of the Alliance of Reformists of the Montenegrin Coast, pointed out in detail the departures of the top political leadership of Montenegro from the model of the joint state which they themselves recently offered. Now the powers of the central government are considerably broadened, and only a minor portion remains with the republic as the constituent of the joint state. There is no longer even any mention of the word "sovereign," only the republic. Nor is there any mention of the referendum; that is, there are no qualifications whatsoever to the effect that the decisions of the referendum in Montenegro should first be awaited, and then a model made of the joint state. Marovic also called attention to the announcements that the referendum will be held on 1 March, which does not comply with the law, which envisages a period of at least 30 and no more than 60 days after adoption of the decision to hold the referendum.

Rade Bojovic, president of the Yugoslav People's Party and coordinator of the Unified Opposition, said that the version of the joint state which the Montenegrin government backed until recently was much closer to what is favored by the Unified Opposition (an alliance of sovereign states), and that the model adopted represents a unitary federation. In that model, Montenegro's sovereignty is reduced to a minimum, and the joint state envisaged is contrary to the interests of both the Serbian people and also the Montenegrin people. It favors only the authorities in those two republics, Bojovic elaborated. For Slavko Perovic, leader of the Liberal Alliance of Montenegro, it is a question here of a phantom creation that is a trap for both the Montenegrin people and also the Serbian people.

Zarko Rakcevic, M.A., president of the Socialist Party, responded to the words of Momir Bulatovic, president of the Montenegrin Presidency, heard in the Montenegrin parliament, expressing firm commitment of the government in the republic to adhering to everything proposed as elements for the joint state. That was renounced, Rakcevic recalled, and the model now adopted will not be acceptable either to Macedonia or Bosnia-Hercegovina. For Mice Orlandic, president of the Independent Organization of Communists, we now have the same situation as in 1918, when Montenegro lost its statehood.

The Unified Opposition of Montenegro, Miodrag Vlahovic informed the newsmen, is in contact with the democratic opposition of Serbia, and two meetings are in the works. He also reported on the readiness of the Montenegrin Unified Opposition to take part in the rally on 9 March in Belgrade. The Montenegrin Unified Opposition also announced its own rally in favor of a sovereign Montenegro on 22 February in front of the parliament building in Titograd, but it is not to be attended by representatives of the democratic opposition from Serbia.

According to Slavko Perovic, the Unified Opposition will take a definitive position on the referendum immediately before it is held. On the question of whether they are afraid of incidents and conflicts, the representatives of the Unified Opposition answered that they will not provoke them. We are marching with "candles and flowers," Miodrag Marovic quoted Vuk Draskovic, and Miodrag Vlahovic mentioned that the policy of the fait accompli, which is being conducted by the authorities of Montenegro and Serbia, is a most flagrant violation of the civil peace in Montenegro. "We have only words—and we have gotten along splendidly in that poverty," he said in a paraphrase of the poet Miljkovic.

Citizens Form Montenegrin Mondernization Group

92BA0520A Belgrade BORBA in Serbo-Croatian 10 Feb 92 p 3

[Article by D. Vukovic: "Autonomous Individual, Sovereign State"]

[Text] Titograd—Yesterday, in the overcrowded movie theater of the Youth Center in Titograd, the Citizens' Forum of Montenegro was institutionalized as a nonparty organization uniting independent and democratically-oriented citizens. Its purpose, according to the "Founding Charter," is to contribute to the transformation of Montenegro into a modern state based on the traditions of European democracy.

The Citizens' Forum will have its own committees on human rights and civic freedoms, science and culture, and information and publishing activity, but also several others.

"The Citizens' Forum, in its activity, is proceeding from the fact that it is the inalienable, lasting, and indivisible right of the citizens of Montenegro freely and independently to regulate relations in their own state, as well as the relations of the Montenegrin state with other entities under international law. This also implies official recognition of its independent status under international law," stated the Declaration of the Citizens' Forum of Montenegro, among other things.

Invitations to participate in the founding meeting of the Citizens' Forum, in addition to prominent representatives of public and cultural life in Montenegro, were also sent to Momir Bulatovic, the president of the Montenegrin Presidency, Dr. Risto Vukcevic, the president of the Montenegrin Assembly, Montenegrin Prime Minister Mile Djukanovic, and Nikola Samardzic, the foreign minister in the republic government. None of them responded. The Forum, however, sent a letter both to them and to the domestic and international public, emphasizing that only a sovereign and internationally recognized Montenegro could be a factor for integration among the Yugoslav lands and in Europe.

"It is necessary," stated Dr. Miodrag Perovic, the chief and managing editor of the Montenegrin weekly MONITOR, "for Montenegro to deal with the problems that are common to all its citizens, regardless of nation and religion, to put the citizen at the center of economic and political events, and to develop democratic institutions and political and economic life on the basis of European traditions." Perovic, who was also one of the promoters of this meeting, emphasized in his opening speech that instead of all this, political life in Montenegro had been reduced to the ethnic issue, which had been so exacerbated that the Montenegrin state itself had been put in jeopardy.

Stanislav Cano-Koprivica, a well-known Montenegrin businessman and the head of the Monteks company, who is also behind the founding of the Citizens' Forum, emphasized that Montenegro had such resources, both natural and intellectual, that there was no danger at all that it would not be one of the wealthiest states in Europe in the foreseeable future.

From among several congratulatory telegrams sent to the organizers, the one that was read was from Mirko Kovac, in which the prominent writer welcomed the idea of a sovereign, democratic, and internationally recognized Montenegro. Another sort of "greeting" was sent to this meeting the day before yesterday by Titograd's POBJEDA, which sharply condemned it in advance.

Serbia

Prime, Foreign Minister Receive Bulgaria's Ganev

AU2502203692 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 25 Feb 92

[Text] Bulgarian Foreign Minister Stoyan Dimitrov Ganev arrived in Belgrade this afternoon. Immediately upon his arrival he met with his host, Vladislav Jovanovic, minister for foreign affairs of Serbia. They discussed bilateral relations, current Yugoslav issues, and the possibilities for intensifying cooperation between Serbia and Bulgaria.

Then Minister Ganev was received by Dr. Radoman Bozovic, president of the Government of Serbia. During a frank [otvoren] discussion, they exchanged views on the current issues in the Balkans and Europe. Then Ganev and Bozovic discussed the possibilities concerning the realization of ideas to improve cooperation on inter-state and inter-governmental levels. After these talks, Ministers Ganev and Jovanovic held a brief news conference.

Among other things, Minister Jovanovic expressed satisfaction about the establishment of a high level dialogue between the two countries and the possibilities for improving cooperation after such a dialogue. He also stressed that it was decided to set up a mixed commission for improving economic and cultural cooperation. They also discussed the premature recognition of the Yugoslav republics by Bulgaria. Both sides supported the UN peace plan.

The Bulgarian minister expressed satisfaction with the fact that this was the first meeting of the Serbian and Bulgarian foreign ministers since the war, as well as the results of the talks. He stressed that recognition of the right to self-determination carries equal weight as recognition of the right to remain in Yugoslavia. Here is what the two ministers replied to our questions on some claims that Bulgaria has territorial claims.

[Begin Ganev recording, in Bulgarian with consecutive Serbo- Croatian translation] I would like to say that Bulgaria does not have any territorial pretensions toward neighboring countries in any form, nor toward any other countries.

I think that an end should be put to all forms of speculation about this issue. I would like to say that our stand toward the Republic of Macedonia is exceptionally pragmatic and realistic and well-meaning, toward both the people who live in the Republic of Macedonia and Serbia and all other peoples who make up the Yugoslav community. [end recording]

[Begin Jovanovic recording] As regards your question, in addition to the differences that we noted in our discussion about the republics that have expressed the wish to leave Yugoslavia, we pointed out to the minister an anti-Serbian campaign that has recently, in the last few

months, taken deep root in the Bulgarian media, even in some parts of society. This campaign ignored the basic facts of the truth. It tried to falsely, extremely incorrectly, and maliciously present the Republic of Serbia and its policy and the Serbian people.

In connection with this, recognizing the freedom of the press, which the two countries have finally achieved through their own democratic transformations, we pointed out that if the press is free to deal with facts it is not free of responsibility. [end recording]

News Coference Detailed

AU2502220692 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 25 Feb 92

[Statement on talks between Serbian Government President Radoman Bozovic and Bulgarian Foreign Minister Stoyan Ganev in Belgrade on 25 February—recorded]

[Text] The participants in the talks stressed the need for holding regular and active talks and exchanging views on all issues concerning bilateral cooperation, including those issues on which the two sides hold different views. The development of good neighborly relations and the stabilization of relations among the Balkan countries, it was stressed, are the preconditions for inclusion in modern European development processes.

Premier Bozovic spoke about Serbia's sensitivity to the lack of understanding expressed by certain political circles and even members of the Bulgarian Government with regard to the assessment of the course of the Yugoslav crisis, as well as about Serbia's readiness to unreservedly oppose any form of territorial pretensions by Bulgaria toward Yugoslavia, that is to say, Serbia.

Premier Bozovic also expressed dissatisfaction with the hasty decision by the Bulgarian Government to recognize the Yugoslav secessionist republics, which is not in line with the norms of international law nor the activities of the United Nations, which, by deciding to send the blue helmets to Yugoslavia, endorsed Serbia's endeavors for the Yugoslav crisis to be settled in a peaceful way through political dialogue.

Bulgarian Foreign Minister Ganev openly stated in his name and in the name of the Bulgarian Government that Bulgaria has no territorial pretensions whatsoever toward Serbia or any other part of the Yugoslav territory.

According to him, the recognition of the four republics is the expression of the wish that all Yugoslav peoples be granted the equal right to self-determination with regard to their own future. This could in fact contribute more toward the establishment of more direct dialogue and new, more modern forms of cooperation among all Balkan nations. In this context, he repeated the earlier Bulgarian proposals on holding a Balkan Helsinki conference, which would considerably contribute toward stability and security of the Balkans.

Premier Bozovic expressed the hope that Bulgaria will also express such a consistent stand with regard to the Serbian peoples' right to self-determination, in the way this right was recognized to other constituent nations in Yugoslavia.

Both sides concluded that all preconditions existed for more comprehensive and greater economic cooperation. In this connection, the two countries will set up mixed expert commissions.

Bearing in mind the importance of direct and correct dissemination of information, the two sides agreed to look into the possibilities of setting up cultural-information centers in Bulgaria and Serbia and broadening cooperation through the cooperation of governmental departments.

The two sides particularly stressed the importance that national minorities play in the development of good neighborly relations. The two sides will devote even more attention to their position in the future. Bearing in mind that such frank and direct talks are irreplaceable in establishing better relations between the two states, the two sides expressed the wish to intensify them in the future.

The talks were also attended by Vladislav Jovanovic, foreign minister of the Republic of Serbia, and Marko Markov, Bulgaria's ambassador to Yugoslavia.

Bozovic Criticizes Bulgarian Decision

LD2602021192 Belgrade TANJUG in English 2251 GMT 25 Feb 92

[Text] Belgrade, February 25 (TANJUG)—Prime Minister of the Yugoslav Republic of Serbia Radoman Bozovic expressed Serbia's dissatisfaction over Bulgaria's "rash decision" to recognize four Yugoslav breakaway Republics during today's meeting with Bulgarian Foreign Minister Stoyan Ganev.

Bozovic said to Ganev that Sofia's attitude was neither in keeping with the norms of international law nor with the activities of the United Nations, which, "by deciding to send blue helmets to Yugoslavia, has agreed with Serbia's option that the Yugoslav crisis should be settled peacefully, through political dialogue," says a statement released by the Serbian Information Ministry.

Bulgaria and Turkey were the only countries to recognize the four Yugoslav Republics which requested international recognition last last year.

The statement goes on to say that Bozovic told the Bulgarian minister, who is currently on a two-day visit to Yugosalvia, that Serbia would "unreservedly oppose any form of Bulgaria's territorial claim to Yugoslavia."

During talks with Bozovic and, previously, with Serbian Foreign Minister Vladislav Jovanovic, Ganev, who spoke on behalf of the Bulgarian Government, presented a clear stand that Bulgaria had no territorial claims to

any part of the Yugoslav territory. Ganev explained the recognition of the four Yugoslav Republics with Sofia's desire to "recognize the rights of all peoples to decide about their own future." Bozovic expressed hope that Bulgaria would be equally consistent in view of the right to self-determination of the Serbian people in Croatia.

Bulgaria's Ganev Proposes 'Balkan Helsinki Process'

AU2602084592 Sofia BTA in English 2233 GMT 25 Feb 92

[Report by Belgrade correspondent Nikola Kitsevski]

[Text] Belgrade, February 25 (BTA)—At the beginning of his two-day working visit to Belgrade which started today, Bulgarian Foreign Minister Stoyan Ganev proposed to his Yugoslav counterpart, Mr. Vladislav Jovanovic, to start a Balkan "Helsinki Process" by holding a forum of the states of the peninsula. This is the first visit by a Bulgarian foreign minister to Serbia since the First World War. This idea, which is to guarantee the inviolability of the borders and peace in the Balkans, was discussed at the meeting of Foreign Minister Ganev with his Romanian counterpart, Mr. Adrian Nastase, in Bucharest.

The almost two-hour talks between Mr. Stoyan Ganev and Mr. Vladislav Jovanovic focused on Bulgaria's recognition of the four Yugoslav republics and the possible readiness of this country to recognize a new Yugoslavia comprising the republics wishing to remain within the federation, the situation of the Bulgarian minority in Serbia and Bulgarian-Serbian relations in all spheres of mutual interest.

It was agreed to set up a joint commission for promoting Bulgarian-Serbian economic cooperation. The Serbian minister of culture has been invited to visit Bulgaria. Meetings are also expected to be held between the ministers of transport and economy, it was announced at the brief press conference given by the two foreign ministers.

Stressing the differences in the stands of Bulgaria and Serbia on the recognition of the former Yugoslav republics (Belgrade believes that this recognition was premature), the Serbian foreign minister expressed satisfaction over the fact that the Bulgarian Government is ready to support the existence and the continuity of Yugoslavia and for its striving to show equal respect for the will of those who wish to leave the federation and of those who have decide to remain in it.

Asked by the Belgrade Television about Bulgaria's stand on Macedonia, Foreign Minister Stoyan Ganev said: "Bulgaria's stand on Macedonia is extremely pragmatic, realistic and well-meaning. Both to the people living in Macedonia and to Serbia and everyone else in the Yugoslav community.

"We have recognized the Republic of Macedonia, the existing borders between Bulgaria and Macedonia and in this way we once again declared that we have no territorial claims whatsoever. Bulgaria is interested in the fact that within the borders of Macedonia there are people who have lived together for many years, who want to be independent and we wish them to be so...."

Mr. Ganev said that he had asked questions concerning the Bulgarians living in the western parts and that he is satisfied with the reassurances of the Serbian side that their problems would be solved. The chief of the Serbian diplomats mentioned the anti-Bulgarian campaign in the Serbian press, dwelling on allegations that in Bulgaria there are centres for training mercenaries ready to fight in a possible civil war in Yugoslavia.

"What is being written about these training centres is a fabrication which it not only absurd, it is, forgive the expression, pathological. I do wish that the Serbian mass media promote civilized European relations between Bulgaria and Serbia," the Bulgarian minister of foreign affairs replied.

Mr. Ganev was received by Serbian Premier Radoman Bozovic. Tonight Mr. Ganev will also meet the chairman of the Serbian Parliament Aleksander Bakoevic and have a working dinner with Mr. Jovanovic. Mr. Ganev's schedule does not include a meeting with President Slobodan Milosevic. Tomorrow the Bulgarian foreign minister will meet leaders of the Serbian political forces and representatives of the leadership of the Democratic Union of Bulgarians in Yugoslavia.

SFRY 'Common State' Principles Supported

LD2502180992 Belgrade TANJUG in English 1721 GMT 25 Feb 92

[Text] Belgrade, February 25 (TANJUG)—The Committee for Constitutional Questions of the assembly of the Yugoslav Republic of Serbia today gave its support to the elementary principles for the system and functioning of Yugoslavia as a common state. (?As) announced, the committee formed a working group which will prepare a draft of the new Yugoslav constitution based on the principles of the Belgrade initiative and in coordination with representatives of Montenegrin parliament.

Montenegro and Serbia have agreed to remain in a common state which will preserve the continuity of Yugoslavia and allow for the possibility of other Yugoslav republics to join if they so wish. Committee President Aleksandar Bakocevic underscored that the new documents should secure a modern federation, the continuity of Yugoslavia and equality of all citizens. In order duly to implement the principle of equality, the future Federal Assembly will have two chambers—a chamber of the republics, with an equal number of deputies from each republic, and a chamber of citizens, in which the republic with a more numerous population would be represented by a higher number of deputies.

The future state would have 'Hej, Sloveni' as the national anthem and a tricoloured flag, and it would have a common foreign policy, common monetary, banking and foreign trade systems and a single (?defense) system. A draft law on self-determination has been passed on to the assemblies of the other Yugoslav republics, except to the breakaway Yugoslav republics of Slovenia and Croatia, to the Yugoslav state Presidency [words indistinct] federal government. In addition to the assembly of Serbia, only the state Presidency has discussed the draft law so far and given its opinion about it. The Presidency has assessed it as an act which creates a legal basis for a procedure for peacably and democratically resolving the (?Yugoslav state political crisis).

POLITIKA Profiles Croat Air Force Commander

92BA0499A Belgrade POLITIKA in Serbo-Croatian 2 Feb 92 p 11

[Article by R. Pavlovic: "The Colonel Who Recruited Journalists"]

[Text] Imra Agotic distinguished himself in "style" and "cadre" operations as a member of the Yugoslav People's Army security agency. He was awarded the Order of Labor With Gold Wreath for meritorious service in socialist construction of the country. His most recent rating in the Yugoslav People's Army was that of a person of "ideological and political maturity at an enviable level and a person completely dedicated to the thought and deeds of Comrade Tito."

Warrior General Imra Agotic was simply destined to be successful. In only six months he changed from a man with the rank of colonel wearing the blue uniform of the Yugoslav People's Army to chief of staff of the National Guard, and recently became the commander of the Croatian air force.

On the other hand, though, his former fellow soldiers say that Imra would have gone far had he remained in the ranks of the Yugoslav People's Army, because he had the reputation of a shrewd and capable officer. His biographic dossier gives witness to his meteoric rise. He graduated from the Air Force Academy at the age of 22, having become a member of the League of Communists of Yugoslavia [LCY] a year earlier. He was the secretary of the LCY primary organization at the academy, in 1985 even becoming chairman of the LCY conference committee in the antiaircraft division in Zagreb. He served in Belgrade, Pula, Bihac, and Zagreb. His most recent army evaluation, made in 1988, contained the notation "ideological and political maturity at an enviable level and a person completely dedicated to the thought and deeds of Comrade Tito." Such was the rating given by headquarters to a former member of the Yugoslav People's Army security agency. In view of the circumstances, Agotic's rating was simply glowing, and his comrades in arms state that Imra certainly deserved it. Why?

The Kadar Operation

As a member of the Yugoslav People's Army counterintelligence service (Croats would abbreviate this to "Kosovite"), Imra Agotic differed sharply from his comrades in the Fifth Air Corps. Because he received a degree from the School of Political Sciences in Zagreb in the subject area of national defense, he is given credit for recruiting and "processing" a large number of professors and students. His success was further increased by the fact that the Zagreb School of Political Sciences at that time (from 1983 to 1985) was recruiting cadres for national communism.

However, Imra demonstrated his talent for intelligence work in operations by the security agency that were little known to the public, "cadre" and "style."

In 1972, after the mass movement in Croatia, the security authorities of the Yugoslav People's Army, the State Security Service, and the State Security Service of Croatia began a particular operation "cadre" the purpose of which was to obtain important information on the activities of the class enemy from the positions of Croatian nationalism. In a combined hunt for enemies of the regime, the coordinator of the operation in the Croatian State Security Service was Franjo Bogrinec (even today one of the heads of the Croatian security service), while the security authorities of the Yugoslav People's Army was represented by Imra Agotic. He was assigned a special mission, that of working with enemies among the clergy. Those who were sent to prison could tell us how harsh history can be. Agotic arrested and worked over persons with whom he is working closely today to realize Croatian independence.

The Hunt for Newsmen

If wartime censorship had not been instituted in Croatia, many current newsmen, especially ones working for DANAS and VJESNIK, would have many things they could fling in the faces of the Croatian air force commander.

In 1984 all the security services referred to used all available cadres to carry out an operation termed "style," which covered almost all Croatian journalists. A special dossier was opened for every journalist, and a special list was drawn up of 363 journalists who were placed under State Security Service surveillance. The part of head of the Croatian Security Service was again played by Franjo Bogrinec, who placed special emphasis on cooperation with the Security Service by all journalists and foreign correspondents. Agotic also had a part to play; he became a secret agent keeping suspicious journalists under surveillance while recruiting and collecting information on journalists not discharging their military service commitment.

In his later work, according to many informed sources, Agotic worked very closely with the Hungarian intelligence services and trade representatives in Zagreb. Reliable sources allege that Agotic is trying to reestablish his old channels so that the Croatian air force can procure aircraft.

Imra Agotic was awarded the Order of Labor With Goal Wreath for his productive work in the military, by Presidential Decree of 22 December 1990. The justification given in the official gazette is that Agotic's chest is adorned with the order because of "special merit and success achieved in work of importance in Socialist construction of the country."

His career in the blue Yugoslav uniform came to an end last June, when he was one of the first to go over to the Croatian side. Until January of last year Agotic was a successful "Kosovite" leading a life of ease. This is why. His colleagues noticed that Agotic was becoming increasingly mild in his criticism of the young Croatian democracy, that he was colluding with previous enemies, and there seemed to be a struggle going on inside him.

Franjo Tudjman appointed him negotiator with General Andrija Raseta. He became a frequent mediagenic figure on Croatian television. According to the press, the public was especially pleased by his statement that he was greatly upset by Raseta's cynicism and was even threatened with an ashtray. He was promptly nicknamed the negotiator with nerves of glass.

Again, note that he was appointed to the post of commander of the Croatian air force by Franjo Tudjman as a mark of confidence. What kind of air force without airplanes Agotic will now command remains to be seen. He has stated that he will rely on Western technology.

Slovenia

Bavcar Comments on Independence, Peace Prospects

92BA0495B Belgrade VREME in Serbo-Croatian 3 Feb 92 pp 22-23

[Interview with Igor Bavcar, Slovene police minister and candidate for prime minister, by Svetlana Vasovic; place and date not given: "I Am Not an Optimist"]

[Text] Igor Bavcar began his career as a columnist in TRIBINA. He went on to be a cadet of the police school, became well-known as the chairman of the Committee for Protection of Human Rights, and, finally, became minister of police and claimant to the position of Slovene prime minister.

[Vasovic] The police system is a rather stiff and conservative structure, with clear rules of behavior. How did your collaborators greet you, an "outsider"? You are said at one time to have even tried "grass."

[Bavcar] Perhaps I shock some people with that statement of mine; I am a rather liberal person by nature, and I feel that could only have been a kind of refreshment for the police. I must say that the longstanding personnel gave me a very tough welcome, which is why I had to replace most of them; for all practical purposes, the entire leadership of the Slovene police was replaced. But if we look at the system such as I found it here from the standpoint of administrative hygiene, the police were the most orderly department, and that is why it was relatively easy to take certain steps, especially because the principle of subordination prevails here, although when I came, we replaced that principle with the principle of cooperativeness, because it gives the employees greater motivation to work. I think that I have helped to gain for the police in Slovenia greater recognition from the standpoint of the professional level of its staff, to which we have paid quite a bit of attention: From the practical standpoint, the Slovene police prepared almost all the laws on border matters, which is a rare example.... Especially during the war in Slovenia, in which the police played an important role, its prestige with the public has been on the rise.

[Vasovic] Following the skirmishes in June, peace has prevailed in Slovenia, interrupted from time to time by terrorist actions. Members of semimilitary and radical groups from Serbia have been saying that they are not behind them. Have you established who has been planting the time bombs in Slovenia?

[Bavcar] We have established without question that only the JNA [Yugoslav People's Army] has an interest in destabilizing the situation in Slovenia, and along with its special units stationed in the area of the airfield at Brezice it has been carrying out terrorist acts.

[Vasovic] According to certain figures, a group of 182 Chetniks has been operating in Slovenia. Have you been following them?

[Bavcar] We, of course, keep tabs on all radical groups: We have several people in our records, but I assure you that that number is greatly exaggerated. There are no Chetniks in Slovenia, nor were there more than 10. Some 10 of them who were very worked up and fanatical, but we consider several people potential Chetniks in Slovenia, people who could be dangerous operating from positions in various political activities.

[Vasovic] How do you see Slovenia's future in its relations with the remnants of Yugoslavia and Serbia?

[Bavcar] Politics is one thing and business another. I am reluctant to talk about business, and I would rather make note of specific results of effort. In times when there has been the most talk about business, and that in the context of politics and political premises, business fared poorly. As far as relations with Serbia are concerned, it would not be wise for Slovenia to simply give up a market with which it is familiar, on which it has certain advantages, and where contacts have been established. I am sorry that Serbia's response is purely political, that it is not more pragmatic, because, if nothing else, at least the opportunities for us to trade with one another are

immense. If I might honor the well-known quotation from Brecht's *Mr. Julius Caesar* that the best artillery for high Chinese walls is trade, I hope that in spite of all the current fronts, the only successful artillery will be precisely that one. Trade. I therefore anticipate that the situation will soon change for the better.

[Vasovic] Are you collaborating with other republic police forces?

[Bavcar] There is cooperation with Croatia and Macedonia. But all ties have been severed with Serbia. If some criminal well-known to Serbian authorities should turn up here, we would not have that information. We would have no idea. As a practical matter, at the state level, we are not cooperating in any area.

[Vasovic] Does that mean that individuals who show up at the Slovene border with red passports and documents of Serbia can expect harsher treatment than toward the citizens of neighboring states through no fault of their own?

[Bavcar] I would say that the procedure is routine toward everyone, because even now many people are coming to Slovenia with red passports, both from Croatia and from other parts of Yugoslavia. The police have discretionary powers and can react depending on their assessment of the situation on the border (which means, for instance, the traveler must have sufficient money, his statements must be credible as to where he is going, what he does, what he will be doing). But we will not be introducing special restrictions. Even in the past, Slovenia has not responded to all the well-known steps of Serbian policy by closing the door; we have been trying to operate pragmatically, even where the anger of the other side is incredibly great, we have been trying to slow down the pace of the game.

[Vasovic] Is this Slovenian pragmatism also manifested in the more subtle means of shocking the other side? To be sure, Slovenia has not adopted any systematic steps against the Serbian state, but still it has been systematically making it more difficult for individuals who are citizens of the remainder of Yugoslavia to stay in Slovenia. For example, the dinar, until yesterday the means of payment in Slovenia, is today not on the currency boards of exchange offices and it is not possible to exchange it legally.

[Bavcar] That is less a matter of the police ministry's policy and more a concern of the national bank. Now the government and the national bank are two different institutions with their own respective jurisdictions. These are two economic centers of power which shape that policy independently of one another.

[Vasovic] It is evident, particularly from the Kogej case, that there is growing intolerance in Slovenia toward foreigners, above all "southerners." Would it not be worthwhile for you, as the leader of the Democratic Party, to publicly condemn such actions, or do you think that such criticism and an appeal for tolerance would be detrimental to you in the upcoming election campaign?

[Bavcar] I personally think that Slovenes are tolerant people, although we must face the fact that there are also extremists. Our party is a party of the center, and we are very much against all extremes. I am abhorred by any extremism, and I will also follow that line in the election fight. The Democratic Party has principles explicitly stated in its program which we will, of course, respect, and they are such that they should constructively deal with the entanglements that have arisen over taking citizenship, which means that all people who were living and working here before 23 December have an opportunity to become citizens of Slovenia; as for foreigners, it is natural that a certain degree of xenophobia be felt even in Slovenia. I cannot deny that. However, that intolerance is not so dangerous nor so great as some would like to portray it. I think that there is a certain intolerance toward people who have obtained citizenship in this way, just as there is suspicion toward those foreigners who would like to come to Slovenia, but they have no possibility of becoming its citizens. We now have opportunities to respond to all those flows of immigration with the machinery of a state that is independent and which is itself arranging its policy toward foreigners. Earlier, that was not possible. The fact that Slovenes were not overseeing their own immigration policy caused the xenophobia you mentioned. I believe that now that we have our own immigration policy, our policy toward foreigners (monitoring entries of foreigners, work visas), this will itself make it possible for us to control xenophobia. After all, even now there are 90,000 unemployed in Slovenia, so we have little opportunity to advertise ourselves as a broad country for immigration, a state that can generously receive a great number of foreigners.... In any case, I am an optimist, and I am certain that intolerance toward new arrivals will moderate in the future.

[Vasovic] You entered politics as the chairman of the Committee for Protection of Human Rights, you figured as a critic of the state and the state apparatus, and now you have taken up one of the portfolios most fundamental to the state. What caused you to change your previous views of the state apparatus?

[Bavcar] I never had an anarchistic view of the state as you have now somehow implicitly attributed to me. Even when the committee was active, we were demanding clear elements of the law-governed state, we were demanding respect for all the public rules, which must be completely clear and which the state must respect.... Separation of the legislative and judicial branches was one of our key demands. The system that is being born today in Slovenia, the new constitution, the new legislation, are headed in precisely that direction. I therefore cannot say that I have changed my convictions; on the contrary, I have realized what we were fighting for.

[Vasovic] And you were fighting above all with Janez Jansa, who is today the defense minister. Between you, through your portfolios, there is today some kind of competitive relation in spite of friendship?

[Bavcar] Our friendship goes back to the beginning of the eighties, when both of us were working in the youth organization and prepared a conference on nationwide defense, a consequence of which was the first punitive charge against Janez Jansa, political persecution, and loss of employment.... It is a fact that there is competition between us today. Janez and I are friends, although we do not agree on many things, but that is another level of our communication; one which does not hamper our friendship. It is true that we are different in some respects, that each of us looks differently on many things....

[Vasovic] Nevertheless, you can be certain that a unit of your intelligence service—the intelligence service of Minister Jansa, is not bugging your telephone, that is, that no one is eavesdropping on you?

[Bavcar] I am not certain of that, but not because I do not have confidence in my own department or the post office...but because it is technically impossible for other departments to do this through the post office. However, it is possible to eavesdrop with other more up-to-date equipment. Today, there is no need to have a telephone to be bugged, that is, to have people eavesdrop on what you say.

[Vasovic] What department, in your opinion, deserves the greatest credit for the weapons from Germany which you imported into Slovenia in Austrian garbage trucks during the feigned strike of "Snaga" employees?

[Bavcar] I know absolutely nothing about that. We have imported a few weapons from Germany. Incidentally, it would not even be logical to do that. The weapons that we received are mainly Russian, that is, of eastern origin, because that is the kind we possessed earlier, and to some extent we are equipped with crossbows that come from south Asia.

[Vasovic] However, crossbows have been found on the Croatian front which came from Germany via Slovenia.

[Bavcar] The German Army is not equipped with those weapons, and they certainly do not come from it. That is a Singapore weapon. I would be so bold as to deny the possibility of the operation which you have described, although I cannot positively assert it, because the crossbows are a part of the armament of our territorial defense....

[Vasovic] On the basis of everything you have experienced, how would you forecast the future development of events in Yugoslavia?

[Bavcar] I am afraid that in spite of this truce, which seems to promise quite a bit, the reports indicate that a large military potential is again building up on both sides, that the Yugoslav Army is preparing a new offensive, and the avalanche could even draw in Bosnia, where the situation now is on the verge of ethnic conflict. The international forces should be used as soon as possible so as to physically separate the parties to the conflict. I am not an optimist, I think that the crisis will be a lengthy one, and even if the war does not resume, occasional terrorist actions will certainly continue to smolder and will constantly destabilize the region. Almost like Lebanon, especially because armed groups are emerging which are not under the command of either side. If internal political relations of the belligerents do not change toward liberalization and the predominance of a moderate policy, there will be no peace. It is clear that the survival of the Serbian policy is bound up with that conflict. Cessation of the war will represent fantastic internal problems for Serbia. That is why I am not a great optimist, especially because even the opposition is not showing signs of finding any intelligent way out of this situation.

[Vasovic] Do you think that the crisis of the state could have been resolved differently, in such a way that Slovenia would not have left Yugoslavia?

[Bavcar] Oh, yes! In the field of history, there are entire theories about the randomness and unpredictability of certain events, and for a long time now I have not thought that a particular set of events is the consequence of definite laws; I would rather say that it is the result of accident.... I am therefore convinced that things could have ended quite differently. Until recently, we lived in a time when all the options were open and accessible, we were able to choose....

[Vasovic] You have chosen a life in an independent state. Are you satisfied?

[Bavcar] Altogether. After the great efforts which we have survived, and that was over a relatively brief period, because over the last year or two events sufficient for an entire decade have followed hard one upon the other, I must say that now I feel a certain relief: Put differently—we have, after all, achieved something.

Data on Slovene Enterprises Published

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[Unattributed article: "38,000 Enterprises in Slovenia"]

[Text] Ljubljana, 4 Feb—There were 38,936 enterprises registered in Slovenia last year, of which 23,250 were in the economy and 15,686 were in the noneconomic sector, the Republic Institute for Statistics has announced.

There were 3,622 registered in industry, 5,639 in trade, 1,086 in construction, 482 in transportation and communications, 286 in agriculture, 31 in forestry, 1,774 in the hotel industry and tourism, 244 in residential and municipal services, 8,459 in financial, technical, and

commercial services, 714 in education, science, culture, and information, 63 in health care, and 52 enterprises in sociopolitical communities.

Most of them were limited liability enterprises—21,225; somewhat more than 1,300 enterprises had the status of a socially owned enterprise, there were 57 enterprises [sic], 183 private companies, and 312 stock companies.

Of the total number of enterprises, 84.4 percent were privately owned, 11 percent were socially owned, 4 percent had mixed ownership, and 0.4 percent had combined ownership.